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First Session, 40th Parliament

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Première session, 40^e législature

Official Report of Debates (Hansard)

Wednesday 29 February 2012

Journal des débats (Hansard)

Mercredi 29 février 2012

Standing Committee on Estimates

Organization

Comité permanent des budgets des dépenses

Organisation



Chair: Michael Prue
Clerk: Valerie Quioc Lim

Président : Michael Prue
Greffière : Valerie Quioc Lim



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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 29 February 2012

Mercredi 29 février 2012

The committee met at 1609 in room 151.

ELECTION OF CHAIR

The Clerk of the Committee (Ms. Valerie Quioc Lim): Good afternoon, honourable members. It is my duty to call upon you to elect a Chair. Are there any nominations?

Mr. Taras Natyshak: I nominate the member for Beaches—East York, Michael Prue.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Mr. Prue has been nominated. Do you accept the nomination, Mr. Prue?

Mr. Michael Prue: I do, with thanks to my nominator.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Are there any further nominations? There being none, I declare the nominations closed and Mr. Prue elected as Chair of the committee.

Mr. Prue, would you take the chair?

ELECTION OF VICE-CHAIR

The Chair (Mr. Michael Prue): I'll now entertain nominations for the position of Vice-Chair.

Mr. Rob Leone: I move that Mr. Natyshak be appointed as Vice-Chair of the committee.

The Chair (Mr. Michael Prue): Mr. Natyshak, do you accept?

Mr. Taras Natyshak: With thanks to my nominator, I do accept. Thank you.

The Chair (Mr. Michael Prue): Are there any other nominations for the position of Vice-Chair? Seeing none, Mr. Natyshak is elected.

Mr. Taras Natyshak: Thank you very much.

APPOINTMENT OF SUBCOMMITTEE

The Chair (Mr. Michael Prue): Okay. We now have to have a motion to appoint a subcommittee on committee business. That involves one member from each party. We'll entertain motions. Mr. Craitor.

Mr. Kim Craitor: You sure you want one?

The Chair (Mr. Michael Prue): Subcommittee? We have to have one.

Mr. Kim Craitor: All right. Just checking.

I move that a subcommittee on committee business be appointed to meet from time to time at the call of the

Chair or at the request of any member thereof, to consider and report to the committee on the business of the committee;

That the presence of all members of the subcommittee is necessary to constitute a meeting;

That the subcommittee be composed of the following members: the Chair as chair, Mr. Dhillon, Mr. Leone and Mr. Natyshak; and

That substitution be permitted on the subcommittee.

The Chair (Mr. Michael Prue): Okay, we have a motion. Any discussion? No discussion. I'll put the question: Shall the motion carry? Carried.

BRIEFING

The Chair (Mr. Michael Prue): The next item is the briefing by staff. We have the committee clerk and research officer here. They will describe for you briefly what the estimates committee does. It's a very exciting committee: You get to delve into a lot of government business.

The Clerk of the Committee (Ms. Valerie Quioc Lim): Thank you, Chair.

My name is Valerie Quioc Lim, and I am the committee clerk. I'd like to take a few minutes to give a brief overview of the committee and explain my role, and then I will turn it over to Anne Marzalik to speak briefly about her role in the committee.

The estimates committee is one of three standing committees involved with the financial accountability cycle. The estimates process is the process through which the government asks the Legislature to appropriate funds required to meet its financial obligations and to implement programs the Legislature has already approved.

Within this estimates process is the committee stage, and that's where you come in. As soon as the estimates are tabled in the House—that's usually in the spring—and as soon as supplementary estimates are tabled, they are deemed to be referred to this committee. By a process set out in standing orders 59 to 66, the committee selects the estimates of some ministries and offices to be reviewed or scrutinized and sends the unselected estimates back to the House.

During this review process, the minister and ministry staff appear before the committee to present their estimates and answer questions from committee members. Background material is also provided by each

ministry; this is required by the standing orders. The committee then has until the third Thursday in November to present one report to the House on all the estimates it considered.

This process I just described, along with the committee's procedural and administrative practices, is explained in more detail in the committee resource binder, which was sent to your office. I hope you've already received it. My contact information is on the back page, so please feel free to contact me. You can even speak to my assistant, Marie, with any questions.

As committee clerk, my role is to provide confidential, impartial procedural advice and to provide administrative support to all members of the committee.

Quickly, just to point out some of the staff that we have here: Committee meetings are regularly staffed by a Hansard reporter, who you see here to my right, and a broadcast and recording operator who controls the microphones from back there. Meetings here in room 151 are also staffed by interpreters, who you see at the booth right over there.

Again, please contact me should you have any questions about the committee or if you require any assistance. I look forward to working with you all.

Now I give the time to our research officer, Anne Marzalik.

Ms. Anne Marzalik: Thank you. My name is Anne Marzalik. I have an MBA and a background in finance. I'm one of a number of researchers; we all have various backgrounds and specialties. My role is coordinator of research participation in the committee, so you'll see different researchers in attendance here, depending on the ministry that's under review. We try and match the academic background and specialization of the research officer designated to attend the hearings so that they complement as closely as possible the ministry under review. For example, if it's the Ministry of the Attorney General, we would probably have one of the lawyers involved. That's just to let you know you won't always be seeing me in here.

The role of the research service is always to prepare a memo for the committee that lists the outstanding questions raised during the hearings in cases where the minister or the ministry has agreed to get back to the committee to provide a response. So we don't list all questions, just those where the committee has been told a response will be forthcoming.

Secondly, we include with the memo a list of questions that have been tabled with the Chair or the committee clerk during the hearing. So if a member says to the Chair, "I have this question; I would like to table it," the Chair will then proceed to instruct me to include that in the memo. That's a detail you probably don't need to know.

In addition, this is something that we don't always do but it's an option for the members. The committee may instruct the research officer to provide supplementary research. We often find with the estimates committee,

however, that the ministries are in attendance, so we don't get as many requests usually to prepare additional research. Oftentimes, the ministry itself will be asked to provide that information. However, it is a possibility.

Finally, any member of the committee may request confidential research on the expenditure estimates that are prepared exclusively for them. This research would not be circulated to committee. It's between the research service and the member.

That's basically an overview of our role. If anyone has any questions, please let me know. Thank you.

The Chair (Mr. Michael Prue): Are there any questions to the presenters? Any questions? Okay, just to outline exactly when we meet, we meet on—

The Clerk of the Committee (Ms. Valerie Quioc Lim): We meet on Tuesday mornings to 10:25 and Tuesday afternoons following routine proceedings, and Wednesday afternoons following routine proceedings. We tend to schedule it at 3:45, but it has to be past routine proceedings.

The Chair (Mr. Michael Prue): Okay, just for the newer members of the Legislature, routine proceedings is—as soon as the last petition is done you have to be here, given usually three to five minutes. And then we start. We made an exception today and I understand the reason why, but in the future you need to know that as soon as there is a quorum present, at that time—it may be 3:30, it may be 3:45 or 4 o'clock, depending on whether or not there are ministerial statements and things that happen. But as soon as the last petition is read, that's it; you've got five minutes and then away we go. That's why we have the TV: not to entertain us, but to let us know exactly when that happens. And at 9 o'clock we use the television as well, in the morning when we start. As soon as the Speaker walks in and they yell "Order," that's order here too.

Mr. Taras Natyshak: At 10:25—

The Chair (Mr. Michael Prue): Well, at 10:25—at 10:15, they finish. We don't finish right when the House finishes. We can go right until 10:25.

Mr. Taras Natyshak: Okay.

The Chair (Mr. Michael Prue): So that's Tuesday morning and afternoon, and Wednesday afternoons. Okay?

Welcome back, Mario.

Mr. Mario Sergio: Good to see you, Chair. Looking forward to a good session.

The Chair (Mr. Michael Prue): Well, I think we're going to have lots of fun. This is a very hard-working committee, though. You didn't choose an easy one. If you want an easy one—

Mr. Mario Sergio: We had no choice.

The Chair (Mr. Michael Prue): I don't know if you had a choice or not.

Any other business? No other business. Thank you for attending. Meeting adjourned.

The committee adjourned at 1617.

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STANDING COMMITTEE ON ESTIMATES

Chair / Président

Mr. Michael Prue (Beaches–East York ND)

Vice-Chair / Vice-Président

Mr. Taras Natyshak (Essex ND)

Mr. Grant Crack (Glengarry–Prescott–Russell L)

Mr. Kim Craiton (Niagara Falls L)

Mr. Vic Dhillon (Brampton West / Brampton-Ouest L)

Mr. Michael Harris (Kitchener–Conestoga PC)

Mr. Rob Leone (Cambridge PC)

Mr. Taras Natyshak (Essex ND)

Mr. Rick Nicholls (Chatham–Kent–Essex PC)

Mr. Michael Prue (Beaches–East York ND)

Mr. Mario Sergio (York West / York-Ouest L)

Clerk / Greffière

Ms. Valerie Quioc Lim

Staff / Personnel

Ms. Anne Marzalik, research officer,
Legislative Research Service



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Mardi 1^{er} mai 2012

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STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 1 May 2012

Mardi 1^{er} mai 2012*The committee met at 0901 in room 151.*

ORGANIZATION

The Chair (Mr. Michael Prue): I have a statement that must be read, but first of all, we'll open the meeting. There's a statement that must be read so everybody understands the rules and procedures before we go ahead.

Good morning, committee members. As you know, the Lieutenant Governor has transmitted the estimates of certain sums required for the services of the province for the year ending March 31, 2013, to the Legislative Assembly. Pursuant to standing order 59, these printed estimates, upon tabling, are deemed to be referred to the Standing Committee on Estimates. All members of the House should have received a copy of the 2012-13 expenditure estimates when they were tabled on Tuesday, April 24, 2012.

The objectives of today's meeting are: (1) to select the estimates of certain ministries or offices for detailed review by the committee, and (2) to determine the date on which the committee will begin the consideration of the selected estimates.

Standing order 60, which you all have before you, sets out the process by which the committee makes its selections. Essentially, each of the recognized parties on the committee shall select the estimates of either one or two ministries or offices in each of two rounds of selection.

The official opposition selects first, followed by the third party, then by the government. After two rounds of selection, the committee will have selected the estimates of six to 12 ministries or offices for review.

Each party also determines how much time is to be allocated to the consideration of estimates of each ministry or office selected. A maximum of 15 hours is permitted per selection. If only one ministry's estimates are selected in a round, those estimates could be reviewed for a maximum of 15 hours. If the estimates of two ministries are selected in a round, they could be reviewed for a combined maximum of 15 hours. It is up to the party making the selection to determine how the 15 hours are to be divided between the two ministries chosen.

At the conclusion of the two rounds, a maximum of 90 hours will have been allocated to the estimates review of the selected ministries or offices. The ministries and

offices shall be reviewed in the order in which they were selected. The order may only be changed by an order of the House.

The estimates of the ministries and offices not selected for consideration will be deemed to have been passed by the committee. As Chair, I will report those estimates back to the House and they will be deemed to be adopted and concurred in by the House.

Any supplementary estimates of selected ministries and offices shall be considered by the committee within the time allocated during this selection process.

In accordance with standing order 63(a), the committee must present a report to the House with respect to the estimates it selected and considered by the third Thursday of November this year, November 15, 2012. If the committee fails to report by the third Thursday in November, the estimates and supplementary estimates before the committee will be deemed to be passed by the committee and deemed to be reported to and received by the House.

Are there any questions? Everybody understands? So each party in turn will get 15 hours, how they want to allocate it, and after the second go-round we're finished.

Are the members, then, ready to begin the selection process? Okay, we start first with the official opposition.

Mr. Rob Leone: Thank you, Mr. Chair. On behalf of the PC caucus, we would like to select the Ministry of Energy first.

The Chair (Mr. Michael Prue): And the number of hours?

Mr. Rob Leone: Fifteen hours.

The Chair (Mr. Michael Prue): Mr. Bisson?

Mr. Gilles Bisson: Good day, Mr. Chair. I have a question of the clerk first. Estimates meets twice a week. How many hours? It's morning and afternoon.

The Clerk of the Committee (Ms. Valerie Quioc Lim): It's Tuesday mornings and afternoons.

Mr. Gilles Bisson: For an hour and 15?

The Clerk of the Committee (Ms. Valerie Quioc Lim): Right. Afternoon from routine proceedings, so we start at 3:45 until 6.

Mr. Gilles Bisson: So you're going to get two hours and 15, for a total of three and a half. Let me do a little bit of math here, Mr. Chair.

The Clerk of the Committee (Ms. Valerie Quioc Lim): And Wednesday afternoons.

Mr. Gilles Bisson: And Wednesday? So total hours per week?

The Clerk of the Committee (Ms. Valerie Quoioc Lim): It's about—let me just figure it out.

Mr. Gilles Bisson: I would have figured this all out before I got here, but I'm here at the last minute.

The Chair (Mr. Michael Prue): My guess would be around seven hours.

Mr. Gilles Bisson: About seven hours. Okay. So that means then you're going to start your first ones this week. Are they ready to go?

The Clerk of the Committee (Ms. Valerie Quoioc Lim): It's about six actually.

Mr. Gilles Bisson: Six hours?

The Chair (Mr. Michael Prue): Six.

Mr. Gilles Bisson: Okay. So next question: You're going to start your actual estimates this upcoming Wednesday? The first ministry up is this Wednesday?

The Clerk of the Committee (Ms. Valerie Quoioc Lim): The committee can decide when it would like to begin consideration of the first selection.

Mr. Gilles Bisson: So that's six hours, 12—okay. All right. That makes my choice simple.

The very first one we would like to do is seven and a half hours for finance, and the next one after that will be health and long-term care as our second choice of seven and a half.

The Chair (Mr. Michael Prue): Government?

Ms. Helena Jaczek: Our two choices are francophone affairs and, secondly, aboriginal affairs, each for 7.5 hours.

The Chair (Mr. Michael Prue): Back to the official opposition.

Mr. Rob Leone: We'd like to select the Ministry of Training, Colleges and Universities.

The Chair (Mr. Michael Prue): For how much time?

Mr. Rob Leone: Fifteen hours.

The Chair (Mr. Michael Prue): Third party?

Mr. Gilles Bisson: Monsieur le Président, you say that with such feeling. I like that. Again, seven and a half hours each, northern development and mines as number 3 and infrastructure as number 4.

The Chair (Mr. Michael Prue): And the government?

Ms. Helena Jaczek: The Attorney General, 7.5 hours, and a personal favourite, environment, for 7.5.

The Chair (Mr. Michael Prue): Okay. Just to recap if everybody doesn't have it: We have chosen energy for 15 hours; finance for 7.5; health and long-term care for 7.5; francophone affairs for 7.5; aboriginal affairs, 7.5; training, colleges and universities for 15; northern development and mines for 7.5; infrastructure for 7.5; Attorney General for 7.5; and the environment for 7.5. That would be the total 90 hours.

When does the committee wish to begin consideration of the estimates of the first ministry office selected? Historically, it has been about two weeks after this, but it can be as early as next week. It's entirely in the hands of the committee. Mr. Bisson?

Mr. Gilles Bisson: Sooner is better than later. I would argue that the first possible opportunity—which is when? Wednesday?

The Chair (Mr. Michael Prue): No, it would be next Tuesday. You mean tomorrow? It is possible, but the ministries would not have realized they were selected. I don't know whether we can get—

Mr. Gilles Bisson: That's why you get paid the big bucks.

The Chair (Mr. Michael Prue): They have to be called in the order in which we did it, so if energy could be ready in less than 24 hours, and the briefing materials that go with it.

0910

Mr. Gilles Bisson: I'm sure the minister is briefed.

The Chair (Mr. Michael Prue): Is that a motion?

Mr. Gilles Bisson: I propose it as a motion.

The Chair (Mr. Michael Prue): All right, we have a motion, then, on the floor that we begin starting tomorrow. Ms. Jaczek.

Ms. Helena Jaczek: I think we need to be fair and we need to be reasonable. As the clerk has explained, it would be less than 24 hours, essentially, that they would have in terms of preparation. I'm sure it would be more reasonable to have an excellent presentation, a well-prepared presentation rather than what might end up being quite a rough job. Convention has been two weeks. I think that would be the only reasonable approach.

The Chair (Mr. Michael Prue): Any further debate on the motion that we start tomorrow?

Ms. Helena Jaczek: Recorded vote.

Ayes

Bisson, Harris, Leone, Nicholls.

Nays

Crack, Craiton, Jaczek, Sergio.

The Chair (Mr. Michael Prue): All right. I am given to understand that my role as the Chair is exactly the opposite of that of the Speaker of the House, who breaks the ties in the affirmative. The role of the Chair in committee is to break the tie in the negative, so I would cast my vote in the negative, and that motion does not pass.

Mr. Bisson, a new motion.

Mr. Gilles Bisson: Yes, it would be a new motion, but before that just—obviously we have a bit of a difference of opinion about the role of the Chair. The Chair has two purviews in this particular case: one is, the Chair never votes to make a decision that the committee can't make itself, which is one argument; and the other one is, the Chair always allows debate to continue. So you could have gone both ways, is my argument. Anyways, you made the decision. I'm not challenging you.

So I will move that we do it the next possible date.

The Chair (Mr. Michael Prue): So you are then moving a week today?

Mr. Gilles Bisson: A motion to the next day after Wednesday?

The Chair (Mr. Michael Prue): That would be Tuesday, May 8.

Mr. Gilles Bisson: I think that's more than reasonable. I move that—

Interjection.

Mr. Gilles Bisson: Yes. I think it's halfway in between where the government was and where I was, and I think it's a good saw-off, so therefore make it a motion.

The Chair (Mr. Michael Prue): Okay, we have a motion before us for Tuesday, May 8.

Ms. Helena Jaczek: A recorded vote, please.

The Chair (Mr. Michael Prue): Okay. First of all, is there any discussion on Tuesday, May 8, whether we proceed on Tuesday, May 8?

Mr. Gilles Bisson: Well, just for the record, I'm not going to belabour the point, but it's pretty clear the government has a bit of a strategy going here. The reality is that estimates are a little bit late this year, number 1. Number 2 is that I have ultimate faith in the civil service, the political staff and the minister to be available and ready to go on the 8th. I would argue Mr. Bentley is probably ready to go tomorrow. He's a very capable minister who knows his file well, and I don't think there would be any adverse affect in having the estimates start tomorrow, so I think next Tuesday is reasonable. I think it's the way we should go.

The Chair (Mr. Michael Prue): Ms. Jaczek?

Ms. Helena Jaczek: Well, we would prefer to stick with what has been the tradition here, which is two weeks. It allows for appropriate preparation, and so we feel two weeks from today would be the best time to proceed.

The Chair (Mr. Michael Prue): Mr. Harris?

Mr. Michael Harris: I would like to concur with Mr. Bisson that one week would be reasonable time to have the minister make his presentation. We've been sitting now for several months in terms of getting our committees struck, and this is simply another delay tactic, so I would support Mr. Bisson's motion.

The Chair (Mr. Michael Prue): Any further debate?

Ms. Helena Jaczek: A recorded vote, please.

Ayes

Bisson, Harris, Leone, Nicholls.

Nays

Crack, Craitor, Jaczek, Sergio.

The Chair (Mr. Michael Prue): Again, on the same rationale, I would cast my vote in the negative.

Mr. Gilles Bisson: Just so that it's on the record one more time: Again, I'm not challenging the Chair, but I think that you have the leeway as the Chair to rule otherwise. This is essentially a procedural issue, and on a procedural—

Mr. Mario Sergio: Then you're challenging the Chair.

Mr. Gilles Bisson: No, I'm not challenging the Chair.

Interjection.

Mr. Gilles Bisson: Mr. Sergio, I have the floor.

Interjection.

The Chair (Mr. Michael Prue): Please, please. He has the floor.

Mr. Gilles Bisson: Mr. Chair, who has the floor?

The Chair (Mr. Michael Prue): The floor is with Mr. Bisson.

Mr. Gilles Bisson: So I just make the point that I would argue differently, but you're the Chair and I'm not going to challenge you. I made my points.

So, therefore, I'm going to move another motion, Mr. Chair, and my other motion is that this committee instruct the House leaders that they wish to sit during the summer, at the call of the Chair, in order to deal with estimates. That's been done by every other committee so far.

The Chair (Mr. Michael Prue): We have a motion that the committee request from the House leaders that this committee be empowered to sit in the summer session—

Mr. Gilles Bisson: At the call of the Chair.

The Chair (Mr. Michael Prue): —at the call of the Chair.

We have a motion. Any discussion on that motion? No discussion.

All those in favour?

Mr. Gilles Bisson: See, this is a lot better.

The Chair (Mr. Michael Prue): That carries.

Mr. Gilles Bisson: Oh, man, look at this. We're all like this now. Isn't this great?

The Chair (Mr. Michael Prue): Okay. So—

Mr. Gilles Bisson: Chair, just for the record—

The Chair (Mr. Michael Prue): We still don't have a starting date, though.

Mr. Gilles Bisson: Just for the record, you didn't have to break that tie.

The Chair (Mr. Michael Prue): Thank you. I'm erring on the side of caution at first. I want the committee to work.

Mr. Mario Sergio: You want to change your mind?

The Chair (Mr. Michael Prue): No, I'm not changing my mind, but we still don't have a start date. Is there a motion to—

Mr. Gilles Bisson: Well, I would argue, if they're not going to do Tuesday, we can at least do Wednesday the following week. That gives them enough time to get ready. That's a saw-off. You get lots of time.

The Chair (Mr. Michael Prue): I need a motion. So, you're asking for Wednesday, May 9, to begin?

Mr. Gilles Bisson: Yeah, but not constituency week.

Mr. Michael Harris: I'll make that motion.

The Chair (Mr. Michael Prue): Okay. I have a motion. It's made by Mr. Harris that we start on Wednesday, May 9.

Mr. Mario Sergio: I think that's constituency week.

Mr. Gilles Bisson: No, no.

Mr. Michael Harris: It's the week of the 21st.

Mr. Gilles Bisson: The ministry has a week, so that's pretty fine.

The Chair (Mr. Michael Prue): All right. So we have a motion made by Mr. Harris that we commence on May 9, which is a Wednesday. Ms. Jaczek.

Ms. Helena Jaczek: The government would prefer to wait the two weeks, as has been the case in this committee, and that would lead us to the following Tuesday. So we will be opposing May 9.

Mr. Gilles Bisson: I think they're being unreasonable, Chair.

Ms. Helena Jaczek: That's our choice, Mr. Chair.

Mr. Gilles Bisson: It's your choice. Chair?

The Chair (Mr. Michael Prue): Mr. Bisson.

Mr. Gilles Bisson: I recognize it's the government's choice, and that's your prerogative. I'm not in any way saying that you're wrong to say what you're saying. All I'm saying is that I think we're being reasonable. I think a week is plenty of time for the estimates to be prepared. If you go back and take a look at when estimates has normally sat, we've had a number of occasions where actually we've called ministries in a lot faster than two weeks. So I would ask the Chair to keep that in consideration while making his decision.

The Chair (Mr. Michael Prue): Further discussion?

Mr. Rob Leone: Yes. I would concur with the motion. One thing that I can say, at least from this side, is that we want to get working on this committee. I think it's going to be a productive thing. We want to talk about energy policy. We want to get into health and finance. We also want to go with the government's choices of francophone affairs and aboriginal affairs. We're ready to get at those as soon as possible.

I think that we should support this motion. This motion is definitely needed. I don't want to continue seeing this kind of disagreement. Let's just get to work on this committee. I think we should work as fast as possible and as soon as possible.

The Chair (Mr. Michael Prue): Ms. Jaczek.

Ms. Helena Jaczek: Obviously we're not interested in delay. We've seen what's been happening in the House, and we're very distraught and distressed about the delay there. But this is a question of good preparation, and so we stand by our position.

The Chair (Mr. Michael Prue): Mr. Bisson.

Mr. Gilles Bisson: I'll repeat for the second time: I think this is a fair compromise; I think it's in keeping with what this committee has done historically over the years. We've had estimates start before the two weeks on plenty of occasions in the past, and I would ask that you consider that in your decision.

The Chair (Mr. Michael Prue): Mr. Nicholls.

Mr. Rick Nicholls: I speak in favour of the motion. We've been here over six months now, and we haven't really done anything as of yet.

I'm also very concerned with the fact that in two weeks' time we're going to be breaking for another week, and then we're only back for two weeks. I feel that we

should be getting on with business as soon as possible. Personally, I think that eight days, as opposed to two weeks, would be adequate and enough time. I suspect that the government have, in fact, anticipated that energy would be one of the areas that we would be looking at. Therefore, I personally believe that they would be ready. We just need to kind of get on with getting things done, that's all. Let's work together on this.

0920

The Chair (Mr. Michael Prue): Ms. Jaczek.

Ms. Helena Jaczek: Yes, it's been our position since we were elected to government on October 6, 2011, that we should all be working together. Unfortunately, the last six months have shown very clearly that the opposition parties have not taken the same view.

We stick to our guns. You have asked for 15 hours for the Ministry of Energy to present, and we will be opposing your choice for the start date.

The Chair (Mr. Michael Prue): Mr. Bisson.

Mr. Gilles Bisson: Well, I take some—I don't know what the word would be—exception to those comments about the opposition parties not working trying to make this Parliament work. Quite to the contrary, I think Andrea Horwath and New Democrats have demonstrated a willingness to try to make this Parliament work. So I would ask that she be careful in the use of that type of comment.

The other thing, Chair, is that it is a possibility that the government House leader refuses to move a motion to have this committee sit in the summer. Yes, the House leader for the New Democrats—myself—and Mr. Wilson may be willing to support such a motion being introduced, but it is at the call of the government House leader that the motion gets called into the House. The dilemma we're going to have is that we're already late in starting the estimates. The estimates is one of the things that are quite important around here by way of the standing orders, in order to review the expenditures of the government of Ontario. Should the government decide, for whatever strategic reason, not to call the motion to have this committee sit in the summer, we are going to be short on time to do the proper job of reviewing the expenditures of the province of Ontario in the ministries that are selected.

So I go back to my original point. I respect the decisions you've made up to this point. I would just say that what we're proposing is a compromise. There are lots of precedents where the committee has started its work before the two weeks as per the standing orders. That was done during majority governments. Majority governments agreed with the opposition to start early—of all stripes. So I would urge the Chair to keep that in his consideration when deciding, because the work of this committee is important, and we're going to be short on time should the government not call a motion to have this committee sit in the summer.

The Chair (Mr. Michael Prue): Any further debate?

Ms. Helena Jaczek: Recorded vote, please.

Ayes

Bisson, Harris, Leone, Nicholls.

Nays

Crack, Craiton, Jaczek, Sergio.

The Chair (Mr. Michael Prue): I've consulted with the clerk, and I have listened to the arguments. I am going to vote with the motion, and I'll tell you why. There are, between now and November, 51 hours. At six hours a week, there are 51 hours. That's all that there is. I am also mindful that the House leaders do not always agree and that delaying it will not be in the best interests of the committee or in the best interests of our accomplishing the 90 hours that we're supposed to do by the end. I just can't delay the committee's work beyond that, so I am going to vote with the mover, and the motion passes.

Is there any other business?

Mr. Rick Nicholls: Mr. Chair, excuse me. I have a question with regard to meeting in the summertime. Would it only be Tuesdays and Wednesdays, or can it be any days?

The Chair (Mr. Michael Prue): It would be at the call of the Chair, but the House leaders would probably set out the rules. They would set out the rules, the weeks that we were to meet, the times and the number of hours that could be met. Then the Chair would make that decision call, and we would meet during the months of June, July and August potentially.

Mr. Rick Nicholls: Is there a maximum number of hours that we have to meet, or minimum/maximum hours throughout a week?

The Chair (Mr. Michael Prue): Well, no, but if it was the intent to get the entire 90 hours accomplished, it would mean some 40 hours over the summer break.

Mr. Gilles Bisson: Whichever way the committee decides.

The Chair (Mr. Michael Prue): So it could, I guess, conceivably be one week, eight hours a day times five. It could be. Or it could be a few hours a week, every week, all summer.

Mr. Gilles Bisson: I think we should do it in Marten Falls in June.

The Chair (Mr. Michael Prue): Any other questions? Any other discussion? Ms. Jaczek.

Ms. Helena Jaczek: I just want to clarify that, obviously, our government House leader will be informed that the government members were fully in favour of sitting during the summer.

Mr. Gilles Bisson: Yes, without question.

The Chair (Mr. Michael Prue): Okay. Anything else? So Wednesday, May 9, at 9 o'clock—

The Clerk of the Committee (Ms. Valerie Quioc Lim): In the afternoon.

The Chair (Mr. Michael Prue): Oh, in the afternoon. Sorry, Wednesdays, it's in the afternoon, following routine proceedings, approximately 3:30, quarter to 4, whenever routine proceedings are next week. Anything else? Nothing else?

Seeing nothing else, meeting adjourned.

The committee adjourned at 0926.

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(Hansard)**

Wednesday 9 May 2012

**Journal
des débats
(Hansard)**

Mercredi 9 mai 2012

**Standing Committee on
Estimates**

Ministry of Energy

**Comité permanent des
budgets des dépenses**

Ministère de l'Énergie

Chair: Michael Prue
Clerk: Valerie Quioc LimPrésident : Michael Prue
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 9 May 2012

Mercredi 9 mai 2012

The committee met at 1554 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): Good afternoon, committee members. We are here today for the consideration of the estimates of the Ministry of Energy, which was selected for a total of 15 hours of review.

The ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has made arrangements to have the hearings closely monitored with respect to questions raised so that the ministry can respond accordingly. If you wish, you may, at the end of your appearance, verify the questions and issues being tracked by the research officer.

It is now required that I call vote 2901. You will find that on page 185. All this does is it sets the process in motion.

All those in favour of vote—

Interjection.

The Chair (Mr. Michael Prue): Okay. I don't even have to call the vote. That's the name of it.

We will begin with a statement of not more than 30 minutes by the minister, followed by statements of up to 30 minutes by the official opposition and the third party. Then the minister will have up to 30 minutes for a reply. The remaining time, if any, will be apportioned equally among the three parties. The floor is yours, Minister Bentley.

Hon. Christopher Bentley: Thank you very much, Mr. Chair. I'd like to thank you and members of the committee and, of course, the staff who are here who will be assisting over these 15 hours. I very much look forward to the discussions. I'm here with my deputy, Serge Imbrogno. There are three assistant deputy ministers from the ministry: John Whitehead, Sue Lo and Rick Jennings, as well as other staff.

I look forward to the discussion. It is, as everybody knows, a very exciting area—always has been. I thought what I would do is take a few minutes and sketch out a few of the directions that we have been going in since 2003. My story, of course, begins as part of the government in 2003.

The ultimate goal is for a clean, modern, reliable system of electricity that is affordable for families and businesses. Our power system has long been a foundation

for the people of the province of Ontario, for families, businesses, for the economy and for economic activity. Whether it's electricity or other aspects of the energy system, Ontario has long been a leader in our system of energy; we're acknowledged to be, in so many areas around the world. We continue to be. In fact a number of the initiatives that have been undertaken by the government with various ministers over the past eight years have not only cemented that leadership but, in many ways, it has enhanced it.

In 2003, we had come off a number of very challenging times. One of the things that was recognized was that we did not have enough generation in the province of Ontario. During the previous eight years, our generating capacity had in fact decreased by about 8%—a little less than 10%—but the demand for electricity in the province of Ontario—and I'll just focus on electricity for a few minutes—had actually increased by 10% over the eight years leading up to 2003.

That created a challenging situation, and there were a number of instances where the ability of Ontario to generate the power that it needed on a day-to-day basis was not there. It forces you to import electricity, and we did. In particular, in 2002-03 we were net importers to the tune of—we were net importers overall, but we had more imports than exports to the tune of almost \$1 billion that we paid for electricity that was coming in from somewhere else.

The government of the day took a number of different initiatives up to 2003 to try and deal with this, apart from importing, and one of them was to set up portable diesel generators in a number of different communities.

It was pretty clear when we became the government in 2003 that one of the things we had to do was to deal with matching supply with demand. It's great if you can actually find the power to import, but in Ontario we usually have summer peaks, and so when Ontario is looking for power, the chances are pretty good that the jurisdictions to the south of us and jurisdictions to the east and the west of us are also looking for power. So the market for power is very robust; the supply is no greater than it was. That created some huge challenges for Ontario in the years leading up to 2003.

In fact, those challenges continued after 2003 because you don't bring on new generation instantly. It takes a while. Whether you're talking about nuclear, whether you're talking about gas, whether you're talking about renewables, whether you're talking about hydro, you

don't bring it on instantly. So, for years after 2003, the perennial summer/late spring/early fall question was: "Do we have enough? Will the lights stay on?" If there's a gap between that that you can't meet, you get brown-outs, as there were in some instances in 2002-03, or worse. So one of the goals of the government coming in in 2003—and this is reflected in some of the actions that we've taken—was to make sure that we have enough electricity to meet the demand. We've taken a number of initiatives over the years to make sure that we have enough generating capacity, and I can return to that in a few minutes to talk in more detail.

1600

A second, very striking feature of where we were in 2003 was that the system itself—poles; wires; the technology which supports it—had not received the degree of investment that was necessary to keep it up. As the population increased, as the power demands increased, as the types of businesses drawing different power at different times developed, the demands on the poles and wires and related infrastructure were huge, but much of the infrastructure was very old. The amount of investment by, for example, Hydro One or its predecessor, Ontario Hydro, was about one third what it has been the last couple of years to support the poles, wires and related infrastructure. That is a huge difference in investment by the agencies and by the people of Ontario in their infrastructure.

Why is infrastructure important? Why are the poles and wires important? Well, it's great if you generate the power, but if you can't get it to the families and businesses that actually need it, you're no further ahead. And again, you have to get it in a reliable way. You have to get it to communities as large as Toronto and the GTA. You have to get it to communities much more modest in size. You have to get it to every recreational property where somebody may happen to go on a weekend and decide to turn on the lights and everything else. There's a pretty constant expectation in the province of Ontario, and that expectation is that when we flip the switch, we expect it to work. Reliability is often taken for granted, but reliability in fact means a huge series of actions that people have undertaken at many different levels, few of which are inexpensive, to make sure that when you flip the switch, something actually happens.

The investment that has been required in the poles and related infrastructure—and over the last nine years now, we've seen, for example, 5,000 new kilometres of wire in the province of Ontario. Just to give us some sense of what that is, 5,000 is roughly from here to the Yukon. That's a lot of wire, and it's not cheap. Along with the wire, of course, are the transformer and the related technology—a very substantial investment. And once investment is made, investment needs to be paid for. So as we bring on new generation, as we renew the infrastructure that carries it and delivers it, all of this is being invested in in current dollars and has to be paid for today. Anybody who has done any sort of building project around the house, or renovation of apartment, condominium or

recreational property, will know that building things today is substantially more expensive than building something 20, 30, 40 years ago ever was. All those bills come due, and they need to be paid by the ratepayer today.

Renewing the system to make sure it is actually reliable is number one. It is, as I say, something that we absolutely take for granted. It's fascinating that we take this for granted. There are many jurisdictions in the world that don't, including, from time to time, I understand, places in the States. But we can take it pretty much for granted in the province of Ontario because of the good, hard work done by men, women and companies throughout the province of Ontario to make sure that that is reliable and available.

Apart from being reliable and modern, another aspect of the energy system that we are building in the province of Ontario is that it be clean. Now, what do I mean by "clean"? Well, when we became the government in 2003, the generation mix for the electricity, for example, that we consume consisted of a number of different sources. There was nuclear; there was hydro; there was gas. There would have been coal, and coal had increased to be about 25% of our energy source by 2003. It had increased rather substantially. We needed every bit of power we could find, and coal was seen as a source. It was seen as an available source. It was seen as a cheap source—more on that in a second.

The challenge with coal, of course, is that burning coal creates dirty air, and dirty air has very serious health and environmental effects. In fact, the health and environmental effects are rather substantial. Everybody here has heard of the studies. Various medical reports indicated up to 2,000 premature deaths every year from dirty air, of which coal was part; hundreds of thousands of illnesses caused by—linked to—the burning of coal; many hospital admissions related to coal. So the determination that we made was to clean up our sources of power; clean it up to make sure that everybody had the opportunity to breathe cleaner air; clean it up to make sure that we did not degrade the environment. We set on a course from 2003 to do just that.

Now, when I say that we made a determination to get out of coal, we actually did. The then Leader of the Opposition, Dalton McGuinty, stood on a rooftop in London, Ontario, and said, "We're getting out of coal"—a rather easy thing to say; rather far-reaching policy implications, because as I say, many would suggest that burning coal is a cheap source of power, and after all, jurisdictions to the south of us did that.

It's only cheap if you look at the direct cost of burning coal. It's not cheap when you take into consideration the health costs of burning coal. It's not cheap when you take into consideration the environmental costs of burning coal. And that's quite apart from the human costs of burning coal. So in that sense, it's not cheap at all; in fact, it's enormously expensive.

The determination we made in 2003 to get out of coal, to make sure people had the opportunity to breathe clean

air, to make sure that people weren't being admitted to hospitals through illnesses generated by dirty air, was a very significant policy decision by the government and had rather far-reaching policy decisions.

Getting out of coal has meant that we look to alternate sources of generation, some of which are not as cheap, at first blush, as coal appears to be. It also meant that at a time when Ontario was looking for absolutely every last bit of power we could find, we not only had to find extra power for basic demand, but we also had to replace the coal generation that we were relying on. So from that point on, we have been looking and procuring cleaner sources of power, to make sure that we could get out of coal and to make sure that we could meet the demand in the province of Ontario.

To accelerate the getting out of coal—and it is part of the mix—we started investing in renewable energy—wind, solar, bio—through a number of different programs in the years 2004, 2005, 2006 and early 2007. It was never going to be the sole source of power in the province of Ontario. It's part of the mix, but we invested in it to assist as a source of power in getting out of coal, assist in the supply mix.

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Later on, in 2009, we brought in the Green Energy and Green Economy Act. And the Green Energy and Green Economy Act, from which sprang the feed-in tariff approach, was not only about accelerating the use and the development of renewable energy in the province of Ontario to further assist getting out of coal; it was also about building a clean, green economy in the province of Ontario. You'll remember that in late 2008 the world economic recession struck. Actually, in my community in London, we felt it strike in the spring of 2008. Very serious; not confined to Ontario; not confined to Canada; not confined to North America—the most serious economic recession since the 1930s. I see that my colleague Teresa Piruzza from Windsor would know very well down in Windsor—very serious implications. So not only did we want to bring on more clean, green energy; we wanted to do it in a way that would create a strong green economy here in the province of Ontario and attract investment to the province of Ontario, attract investment at a time when money was not moving, when jobs—well, not only were they scarce; nobody knew where they were going to come from. Investment: Nobody knew whether it was going to flow into Ontario, or anywhere else, because money simply wasn't moving.

It's important to recognize—and I anticipate I may have one or two questions about green energy; all friendly, of course—that the approach that we have taken with respect to green energy is different than the approach that other jurisdictions have taken. There are many, many jurisdictions with feed-in tariff programs. Our feed-in tariff program, our means of procuring clean, green energy, required the combination of not only bringing on clean, green energy but making sure that there was a jobs component for the people of the province of Ontario inherent in it. That's why we required Ontario content in the projects. That's why we required it.

You can say, "Has it been successful?" It has been enormously successful. Thousands of megawatts of power have been contracted through this program. Approximately 30 manufacturing facilities have been set up in the province of Ontario or converted to clean, green energy manufacturing. Billions of dollars of investment have flowed into or been committed to the province of Ontario already—more than \$27 billion worth of investment. Remember, this is from a time when we did not know—nobody knew—whether any investment would flow into the province of Ontario—or anywhere else, for that matter. Tens of thousands of jobs already can be pinned to the feed-in tariff program or the green energy economy itself in the province of Ontario—tens of thousands—and we expect many more over the course of the next several years. In fact, we expect that over the next two years we will have more wind, solar and bio actually hooked up in the province of Ontario than cumulatively ever in our history. We expect that over the next two years we'll have more parts for those projects manufactured in the province of Ontario than cumulatively ever in our history. And we expect that over the next two years there will be more jobs created and related to those projects than cumulatively ever in our history. That is a pretty strong signal of success—a very strong signal of success.

You might say, "Well, that's great. That's Ontario. We're building a clean, green supply mix here. We're creating jobs. So what's next?" I think it's the "What's next?" that's probably one of the most exciting things we have to look forward to.

People often have asked me over the past couple of years, particularly in my area of southwestern Ontario: "As you see traditional manufacturing challenged, where are the jobs of the future? Where are they coming from?" The world is going greener. The market for renewable energy alone, it's estimated, is going to double from just under \$200 billion in 2010 to \$400 billion in 2020. The market for the clean-tech economy, generally speaking, is going to be about \$3 trillion in 2020—that's the worldwide market. Ontario is already a leader in clean tech: clean green tech. We're already a leader. We want to continue and cement that leadership. We are nicely positioned to grab a substantial part of that huge worldwide economy.

You might say, "We could have done that anyway without investing in clean, green technology here." No, you can't. If you don't believe in it, you can't sell it. You'll never be taken to believe in it if you're not doing it yourself; won't happen. If you're not buying it, nobody else will. So we have positioned ourselves very well to take advantage of this huge worldwide market. Does it guarantee success? No; nothing guarantees success these days. But it is important to recognize, as we deal with the questions about the Green Energy Act, that it really was a twofold initiative: to bring on the clean energy but also to build a very robust, strong green energy economy here in the province of Ontario, particularly to do so from the depths of the world economic recession, by attracting international investment. And the results of that are very

significant. I know I'll be asked some more robust and detailed questions about different aspects, and I'm looking forward to that and to sharing some of the further details about this.

As all of the members of the committee will know—and, Mr. Chair, you as well—we just conducted a review of that green energy approach. Deputy Minister Fareed Amin and the team completed that very robust review. We launched the results of that about four weeks ago now. We are proceeding on the basis of the recommendations that we received in that review—enormously helpful—which will enable us to continue to bring on clean, green energy in the province of Ontario; enable us to continue to get out of coal—we're going to do that by the end of 2014; enable us to continue to grow the clean, green jobs economy here in the province of Ontario; has enabled us to reduce the prices and has also enabled us to listen very carefully to what we've heard, to make sure that as we locate these renewable energy projects in the future, we have good, strong community participation and support. It's really a substantial evolution and strengthening of the program that has already delivered very significant results in the several years that it has been in place and in force. I look forward to speaking about that and to working with those in this room as we continue to develop that economy.

When I talk about clean, green energy, of course, I know that you're all waiting for me to say something about hydro, because hydro is a great source of clean, green energy. It has long been the solid source for the province of Ontario; at one time it was just about the only source for the province of Ontario. So what are we doing to add to, to enhance, to build on? Very significant projects. I'll just mention two: The largest hardrock tunnel in the world is being constructed, completed, right now down in Niagara Falls—and I see the member for Niagara Falls, who has been there many times. That is expected to come on stream next year, 2013, and will provide additional fuel for the generating stations that will power the equivalent of about 160,000 homes.

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Up north, the Lower Mattagami River project is a massive redevelopment of a number of existing hydro facilities, in partnership with the Moose Cree First Nation. They have very substantial participation there. It is going to see the development of a hydroelectric project of about 440 megawatts—an extremely large project up there. That is slated for completion several years later.

So hydro is absolutely part of the mix in the province of Ontario—always has been; is today. We expect to be adding to it, and of course through the feed-in tariff program we have the opportunity to continue to add much smaller-scale projects where those might be appropriate in the province of Ontario. I wanted to mention hydro, Mr. Chair, because I know some people were probably wondering if I was.

I wouldn't want to leave my remarks without mentioning nuclear, because nuclear has been, for many decades—I see the member for Danforth has come back in,

and I just wanted to save my nuclear remarks for when you came in because we've had good conversations from time to time. Nuclear has long been a significant part of the energy mix in the province of Ontario—long been—and it's going to continue to be. It's about half of the electricity that we generate, and it's going to continue to be about half of the electricity we generate. It's clean, it's reliable and it is, once it's built, cost-effective.

We are engaged right now in refurbishing the four units at Darlington, and that project has just started on a very robust initial planning stage. That work will continue for several years. It'll actually continue while the units are being operated. The marvel of engineering and technology will allow that to be done in sequence.

I just want to finish on the nuclear by saying that we have some of the leading nuclear experts in the world. In fact, I think we have the leading nuclear experts in the world: Tom Mitchell, who heads Ontario Power Generation, and Duncan Hawthorne, who heads Bruce Power. Whenever the world looks for experts on nuclear energy, they call on those two. In fact, they often call on them to lead any international efforts. I think that's a testament to the industry here in the province of Ontario, a testament to its record of safety and a testament to the great work that they've been doing.

I know there is so much more to speak about, and I have no doubt that the first thing that will happen is, somebody will say, "You didn't talk about this," and to all those who will have that question, I say that I'm looking forward to the rest of my 15 hours. There are many things that I haven't spoken about, and I know that they are equally as important as what I have spoken about.

With that, Chair, I'm really looking forward to answering the questions and getting into some interesting areas. Thank you very much.

The Chair (Mr. Michael Prue): And thank you. Now the official opposition has up to 30 minutes to make a statement. I recognize Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much, Chair and Minister and everyone that's here. We will proceed right into questions, Mr. Chair.

The Chair (Mr. Michael Prue): So, you don't have a statement? Then I have to go to the third party.

Interjections.

The Chair (Mr. Michael Prue): Sorry. I've been on this committee before, but I've never chaired it before. You just want to go right into your questions for 30 minutes. Then please proceed.

Mr. Victor Fedeli: Yes. Thank you very much, Chair. I made an hour-long statement yesterday, and I guess I'm all stated out. If I wanted to, I would summarize my statement with "the Green Energy Act that spills water, vents steam and drains jobs," I guess, but I don't want to get into that today. Today's an exciting day.

When I first came in, we talked about the fact that I didn't go north today. In the north, there was an announcement by the province and by Cliffs. I wrote the headlines down, actually, since we've spoken. I want to

just read them. The headline of the Cliffs Resources press release says, "Cliffs' Canadian Based Chromite Project Advances to Feasibility Study Phase." The government's press release was equally dull, if I may. It said, "McGuinty Government Supports Responsible Ring of Fire Mining Development." Those were the headlines of the two press releases today—a little different than the finance minister's talk this morning of billions of dollars in investment and thousands of jobs.

I bring this up because Cliffs has said in the media to one of your predecessors and now consultant, George Smitherman, "We're not coming to Ontario unless we have an affordable energy price." So my first question to you would be, were they offered an affordable energy price?

Hon. Christopher Bentley: Thank you very much for that. I have the Ministry of Northern Development and Mines' press release. It's hard to think of Minister Bartolucci, in making this announcement, as being anything other than enthusiastic, and well he should be. The Ring of Fire is an enormous opportunity. I know the member for Nipissing has—

Mr. Victor Fedeli: I've actually been there, unlike the minister, but we won't get into that.

Hon. Christopher Bentley: I have been to some of the communities, and the Minister of Northern Development and Mines, I know, has been to the communities on many occasions.

Mr. Victor Fedeli: I'm speaking of the actual Ring of Fire, the base camp where the holes are drilled. I'm more interested in if you've made them an affordable energy price.

Hon. Christopher Bentley: I know when you went up there, you could sense the excitement. So many have spoken about the opportunities that are presented there from this chromite and related mineral discovery. The chromite discovery alone is thought to be worth billions and billions of dollars and decades' worth of work, which will affect every part of the north—probably every part of Ontario, but in particular the north, from east to west and from the top all the way down, even below North Bay and—

Mr. Victor Fedeli: I'm familiar with where it is. I was just wondering if they were made any kind of affordable energy price.

Hon. Christopher Bentley: I think it's very significant that companies that are engaged in the exploration, the development work there, have been looking at processing here in the province of Ontario. We do a lot of processing in the province of Ontario—I think about a quarter of the minerals in Canada. A number of those processing facilities—Vale, Xstrata—bring minerals in from elsewhere. Processing, as the member would know, is a very energy-intensive process, so the companies that do it have found a way to do it in the province of Ontario with our approach to energy that makes it economical for them to do it.

Cliffs—a huge mining enterprise, investments all around the world, probably opportunities to take their

minerals to various places all around the world—obviously would be looking, as one can anticipate—I don't speak for Cliffs—to the best place to have a processing facility.

So when I actually took a look at the press release—

Mr. Victor Fedeli: I'm more interested in the question that I'm asking—

Hon. Christopher Bentley: I'm getting there.

Mr. Victor Fedeli: Well, I'm more interested in a little quicker answer on what is a reasonably generic question.

Hon. Christopher Bentley: When I took a look at the announcement, which said a little more than "McGuinty Government Supports—"

Mr. Victor Fedeli: Chair, I'm just looking for an answer on the energy question.

The Chair (Mr. Michael Prue): I know you're looking for an answer. I'm giving some latitude to the minister, but maybe—

Hon. Christopher Bentley: Thank you very much. They did announce their intention—

Interjection: We're never going to get through this today.

Hon. Christopher Bentley: The press release I'm reading is announcing their intention to build a \$1.8-billion chromite processing facility. I understand that Cliffs and the Minister of Northern Development and Mines and the government of Ontario are engaged in the discussions about the exact form of the agreement and the approach.

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I do understand, as the member would know, that energy is a very significant cost component for a processing facility, that energy issues were absolutely one of Cliffs' issues and part of their consideration. I know that the final details are being hammered out and finalized between the two parties. I'm sure that the minister will want to speak at greater length about it—because he is the lead—when the deal is actually concluded in all of its final form.

But I think it's important to note that what I took from the announcement today was much more than just a hope to think about the feasibility. It is significant that a major mining company has decided to attend an announcement about a processing facility in the eastern part of northern Ontario—

Mr. Rob Leone: So Minister, you don't have an answer to the question. Is that—

Hon. Christopher Bentley: —in the eastern part of northern Ontario, when we all know that energy prices are part—

Mr. Victor Fedeli: Well, we do, considering we've seen Xstrata Copper leave and let 670 people go in Timmins due to energy prices. I was merely asking, were they offered an affordable energy price?

Hon. Christopher Bentley: And I know that when the negotiations are finalized—

Mr. Rob Leone: So the minister has no answer to this question.

Hon. Christopher Bentley: If I might—when the negotiations are finalized, the parties will want to speak to them in greater detail.

Mr. Victor Fedeli: Were they offered an affordable energy rate?

Hon. Christopher Bentley: As I say, when the deal is completed and when the details are fully hammered out—I understand that there are still discussions between the parties—I know that the minister who's leading it, Minister Bartolucci, and Cliffs will have more to say about it as it's concluded.

Mr. Victor Fedeli: Well, let's move on. That was an interesting eight minutes.

How was the decision made to locate a gas plant in Oakville?

Hon. Christopher Bentley: Thank you very much for the question. There was, in the beginning, in the very early years—as I say, 2003, 2004, 2005, 2006—not enough generating capacity in the province of Ontario. Decisions were made about how to procure additional generating capacity to make sure that we had enough in all parts of Ontario, but particularly in southwestern Ontario. An announcement was made in September 2009 that there would be a 900-megawatt generating facility. The Ontario Power Authority is the authority that was procuring the generating facility in Oakville.

Now, over the course of the next year, following the world economic recession, the demand—

Mr. Victor Fedeli: I appreciate that. I was just asking about back then, not about now, though. I was asking about the original decision.

Hon. Christopher Bentley: Excuse me, if I could actually just finish the answer.

The Chair (Mr. Michael Prue): Please finish.

Hon. Christopher Bentley: Thank you very much.

Mr. Victor Fedeli: That would be different.

Hon. Christopher Bentley: The decision was made—

Mr. Reza Moridi: Mr. Chair, a point of order, please.

The Chair (Mr. Michael Prue): Point of order, Mr. Moridi.

Mr. Reza Moridi: Could we let the minister make his response without any interjections interrupting him?

Mr. Victor Fedeli: But I'm looking at—it was a question about back then, not about now.

Mr. Reza Moridi: Several times, the members oppose—

The Chair (Mr. Michael Prue): First of all, that is not a point of order. The Chair has already asked the minister to finish his statement.

I would ask the minister, though: The questions are fairly short questions. If you could try to maybe shorten up the answer a little, I'm sure he's anxious to ask many.

Hon. Christopher Bentley: I have no doubt, Mr. Chair. We're all anxious to engage in a good question-and-answer. I think one of the challenges is that it's important, in providing the answers—and I'm sure the members would appreciate—that the proper context be placed around some of the questions and some of the answers, just so we don't get into a situation where things

are maybe heard in a way that they weren't intended to be said during the course of it.

As I say, about a year later the decision was made that the generating facility would not proceed in Oakville but that a transmission solution would take place which would feed the needs of that southwest part of the GTA.

The IESO, which is responsible for making sure that there's enough power for particular parts of the province, has indicated that there is enough supply in that area. At the moment, the forecast is fairly robust, so we are looking for a transmission solution.

Mr. Victor Fedeli: Somewhere in there you spoke about the date of the cancellation of the Oakville plant. When was that decision made to cancel?

Hon. Christopher Bentley: I'll just take a look. The announcement was made on October 7, 2010. The Minister of Energy announced that the province would not be proceeding with the construction of the—

Mr. Victor Fedeli: Minister, does the contract between the government and TransCanada provide a cancellation clause?

Hon. Christopher Bentley: It probably would be helpful if we just stepped back and provided a little bit of context for some of the questions. Chair, if you just would give me a tiny bit of latitude so I could provide some context for the questions. I anticipated that there would be some questions about the Oakville plant, and I wouldn't be surprised if there were questions about another plant.

Mr. Victor Fedeli: If there's time, I might actually get to that other plant.

Hon. Christopher Bentley: I appreciate that. So I'd just sort of step back and maybe provide a little bit of context. On August 20, 2008, the Ontario Power Authority was directed to assume the responsibility for the procurement of a gas plant in the southwest GTA. They announced on September 30, 2009, that they would sign a contract with TransCanada to design, build and operate a 900-megawatt electricity generating station in Oakville. As I said before, the demand for electricity in the southwest GTA was not as robust as expected. In fact, the load in the southwest GTA, I understand, remains below its pre-recession levels. So the announcement on October 7 by the then Minister of Energy was that the plant would not be proceeding. The province would not be proceeding with the construction of the Oakville plant. I did mention that the 18-month outlook of the Independent Electricity System Operator is such that they're able to manage the system and meet the current needs of the southwest GTA without that plant. Study efforts are under way between Hydro One, the OPA and the IESO to develop solutions to address the transmission and supply issues that are very much important and relevant to the Oakville and GTA area.

As the member knows, there are a number of discussions going on surrounding that—and I've spoken about that from time to time in answer to various public questions—between the government of Ontario and TransCanada. Those discussions are ongoing and they are obviously very commercially sensitive.

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Mr. Victor Fedeli: I understand. I wasn't asking about the ongoing discussions. I was asking: In the contract that was signed back in the announcement days of September 2009, was there a cancellation clause in the contract?

Hon. Christopher Bentley: As I say, the discussions are very commercially sensitive, and I know no member here would want to get into the details of the discussion. Obviously, part of the discussion will involve, I would anticipate—I'm not there at the table, but I would expect—what was agreed to, what are the issues, what is the transmission solution going to be—

Mr. Victor Fedeli: Can you tell us, then, the cost of cancelling the Oakville power plant?

Hon. Christopher Bentley: As I say—

Interjections.

The Chair (Mr. Michael Prue): Excuse me, the minister is to answer the questions. You will have an opportunity.

Hon. Christopher Bentley: As I say, the discussions are ongoing. They have not reached a conclusion. When they do reach a conclusion, I'll be looking for the opportunity to speak about them in greater detail.

Mr. Victor Fedeli: So those are discussions that are ongoing and there will be an answer in the future.

Let's look at something that has, perhaps, happened. Have any interim payments been made to anyone involved in the Oakville plant?

Hon. Christopher Bentley: I think it's important just to step back a little bit—

Mr. Rob Leone: You keep stepping back.

Hon. Christopher Bentley: Well, it is important. I appreciate—

Mr. Victor Fedeli: But I just wanted to know: yes or no, there were either interim payments that have been made in the past or there aren't.

Hon. Christopher Bentley: There are a number of discussions going on between the government of Ontario—

Mr. Victor Fedeli: I can appreciate that, but this is in the past now. Were there interim payments made or not?

Hon. Christopher Bentley: —and the nature of those discussions is not only protected; they are confidential discussions; they are commercially sensitive discussions—the member would know this—and there are various privileges that attach to many of the discussions. It would not be of assistance to the families and businesses that we represent, the people of Ontario, to get into the step-by-step or the details of those discussions, because to do so might—

Mr. Victor Fedeli: Let me try another approach, then.

Hon. Christopher Bentley: If I could, maybe, just finish—prejudice the position of the people of the province of Ontario, might not enable those discussions to come to the best possible conclusion for the people of the province of Ontario. As I say, they are confidential discussions. There is no conclusion that has been reached—

Mr. Victor Fedeli: So no interim payments made, then, which would be conclusive—

Hon. Christopher Bentley: I said there is—

Mr. Victor Fedeli: That would be conclusive to me, if a payment was made.

Hon. Christopher Bentley: I say respectfully—

Mrs. Teresa Piruzza: Chair, if I may?

The Chair (Mr. Michael Prue): If it's a point of order.

Mrs. Teresa Piruzza: On a point of order: This issue, as you may know or some may know, has been discussed and brought forward at another standing committee—actually the Standing Committee on Public Accounts. They've had quite a bit of discussion on that. It has been determined that these are highly sensitive, commercial negotiations due to the discussions that are ongoing. That committee is currently seized of this issue, with respect to both the Oakville and Mississauga facilities.

I would suggest that we move forward into some other questioning, given that that committee is looking at it. They've actually asked the researcher to look into the level of questioning that can occur with respect to these projects.

The Chair (Mr. Michael Prue): I would have to state that the point of order is not well taken. This is the estimates committee, and the members have every right to ask the questions that are being asked. They are not asking questions that are outside the boundary of what estimates is supposed to do in dealing with energy.

It is out of order. The member has every right to ask the question. The minister has every right to make the response he has made.

Mrs. Teresa Piruzza: And the response is with respect to sensitivity.

Mr. Victor Fedeli: Let me move to another one that perhaps I can get answered, then. If we're not going to learn today the cost of cancelling the plant and we're not going to learn if any interim payments have been made, let's talk about the future, then. When the costs are finally disclosed by you and the government, will it be the taxpayer or the ratepayer that pays it?

Hon. Christopher Bentley: As the discussions proceed, they will reach a conclusion at some point, we all hope and expect. When they reach a conclusion, I'm looking forward to sharing more information, not only with the members of this committee but, beyond the committee, with the people of the province of Ontario.

Until they actually reach a conclusion—they haven't reached a conclusion. So I appreciate that the member is interested in details, but if the final details are not in existence, there is not—I'm not in a position to engage in further detailed answers because there isn't a conclusion to these discussions. The member would appreciate that it's really in the conclusion that you find the details.

Mr. Victor Fedeli: So in the planning of the cancellation, you would have presumed there will be some costs. All we're asking for is, who pays those costs? Is it the ratepayer or the taxpayer?

Hon. Christopher Bentley: Again, I appreciate the point and I appreciate the member wanting, on behalf of all, to determine exactly what that conclusion to the dis-

cussions will be. They have not reached a conclusion. It's important. I would expect that it is a dynamic process. The member will have been involved in a number of discussions, negotiations over the years. It's always a dynamic process. It is a confidential process. It's essential that confidentiality be maintained, because that's the only way you can have a free, full and fair exchange of ideas. It's also extremely important that the interests, from our perspective, of the people of Ontario be fully protected and respected through confidentiality.

I'm not in a position to speak to a conclusion which has not been arrived at. Before a conclusion is arrived at, the government of Ontario will be not only apprised of it but will be part of it.

Mr. Victor Fedeli: Let's switch to Mississauga, then. I'm just going to go through my questions very quickly and bundle a bunch of them together, presuming the answer to be the same.

I was going to ask whether there was a cancellation clause between the government and Greenfield. I was going to be asking, what is the cost of cancelling the Mississauga power plant? I would be asking if there are any interim payments that have been made to anyone involved in the Mississauga plant. I would be asking how much you've spent in legal bills on the Mississauga cancellation. I would be asking whether the additional costs, if any, would be on the taxpayer or the ratepayer. Would it be rolled into existing charges on the hydro bill or listed as a separate item?

Will I get the same answer on this batch of questions? Respectfully, I ask that.

Hon. Christopher Bentley: I appreciate that. In fact, there is an additional layer of complexity in this, as you're probably aware, because not only are there discussions between the Ontario Power Authority and Greenfield with respect to the relocation of the Mississauga gas plant, not only are those discussions extremely commercially sensitive and confidential—and they are ongoing—but there is also litigation—

Mr. Victor Fedeli: Okay, then I'm going to move on from those ones, because I can sense that—

Hon. Christopher Bentley:—litigation in both Ontario and in the United States. So the various interests of the people of the province of Ontario are at risk in different ways, and it's essential that we maintain a confidentiality of the proceedings, confidentiality of our position and our ability to make sure that the interests—commercial, financial and other—of the people of the province of Ontario are fully protected.

Mr. Victor Fedeli: So the same kind of questions about the decision to locate the gas plant in Mississauga and the need for power: Is it the same sort of answer as the Oakville—

Hon. Christopher Bentley: No, I think that's a fair question. Let me just make the statement. It was procured in 2005. The permit was actually issued in May 2011, I believe, after a long series of environmental and other assessments, the various planning and related reviews that had to be conducted. Over the years, from the time

the project was announced, there was a building community opposition, and it would be fair to say that, in Mississauga, in Etobicoke, from residents, from the council. Actually, following the election, there was a council resolution, but a building opposition and an opposition that was building pretty much at the same time as the run-up to the provincial election. So it was recognized that this plant should not be constructed on that site in Mississauga.

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Mr. Victor Fedeli: When did you become aware of that decision?

Hon. Christopher Bentley: Me, personally? When I read about it in the paper.

Mr. Victor Fedeli: Seriously?

Hon. Christopher Bentley: Absolutely, yeah. That's a simple answer for me.

Mr. Victor Fedeli: I'm shocked.

Hon. Christopher Bentley: So the decision that was announced, or the intention that was announced—I think it was September 24, 2011—that it was our intention not to construct the gas plant on that site in Mississauga. That was a decision or an intention which, as I recall, was supported by the PC candidate in the same riding, by the leader of the PC Party about a week later—I might have the date wrong—and supported, as I recall, by the NDP. So, indeed, all parties appear to have taken the position, and have taken the position consistently, that there should not be a gas plant constructed on that site.

I think that's important, because I've not heard anybody withdraw or move back from that position that there should not be a gas plant constructed on that site.

Mr. Victor Fedeli: Chair, I'm satisfied with that answer. I've got one last—

The Chair (Mr. Michael Prue): You have two minutes.

Mr. Victor Fedeli: Thank you. So we know that there are going to be costs from the cancellation in Oakville and we know there are going to be costs from the cancellation in Mississauga. As this is the estimates committee, I'm trying to find in the budget or the OPA's budget, whoever is responsible—I would like to know the estimates that have been given to the minister and basically the specific line item where these costs will be paid out of.

Hon. Christopher Bentley: Well, as I've indicated before with respect to both, in different ways, there are discussions going on which have not reached conclusions.

Mr. Victor Fedeli: But this can't be open-ended. Somebody has to know what this is going to cost.

Hon. Christopher Bentley: If I could just—

Mrs. Teresa Piruzza: Point of order.

The Chair (Mr. Michael Prue): What is the point of order?

Mrs. Teresa Piruzza: The point of order is that under section 23, "In debate, a member shall be called to order by the Speaker if he or she...."

“(g) Refers to any matter that is the subject of a proceeding,

“(i) that is pending in a court or before a judge for judicial determination; or

“(ii) that is before any quasi-judicial body....”

The minister—

Mr. Victor Fedeli: Well, the minister's the one who brought it up.

Mrs. Teresa Piruzza: The minister has indicated for both these plants that there are negotiations going on and different issues, so I would suggest that any questions with respect to Mississauga or Oakville would currently be out of the purview right now, given where it stands and given this section.

Mr. Victor Fedeli: Chair, are there lawsuits in Oakville that we weren't aware of? The minister's the one who brought up the lawsuit.

The Chair (Mr. Michael Prue): First of all, as the Chair, I am unaware that there are any lawsuits. If there are lawsuits, perhaps the—

Hon. Christopher Bentley: If I might, there are lawsuits with respect to the Mississauga matter.

The Chair (Mr. Michael Prue): Okay.

Mr. Victor Fedeli: Which the minister brought up. I did not bring up the lawsuit. I'm simply asking for the—

The Chair (Mr. Michael Prue): That is correct. But in any event, the time has now expired, and I would go to the third party, Mr. Tabuns.

Mr. Peter Tabuns: Good afternoon, Minister.

Hon. Christopher Bentley: Good afternoon.

Mr. Peter Tabuns: Your long-term energy plan commits \$33 billion to nuclear power. Can you break down that figure into the component generating assets?

Hon. Christopher Bentley: That's a great—

Mr. Peter Tabuns: And if not you, if you would ask your staff to give us that information, I would be pleased.

Hon. Christopher Bentley: That's a great question. Let me start with the approach to the answer, and then I'll see if the deputy has something further to add.

The long-term energy plan is a forecast for what we expect in this area of what the supply mix will look like in the future and how we'll get there.

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: The long-term energy plan anticipates not only the refurbishment of the Darlington units—and that's under way—and also the refurbishment of further units at Bruce, but it also speaks to new build. In any projection, costs are rough, but the plan and the projection are based on estimates of not only refurbishment but new build.

As you know, we have not made any decision with respect to building new units. We're taking a look, and we can talk about that more in detail if you like, but we have not made a decision with respect to new build. I notice that the member is looking in a way that makes me think he might be wondering what was reported in the paper a couple of weeks ago. What was reported was that we are working with two potential bidders to see if they would be interested in preparing a bid so that we can take

a look at that; determine whether, first of all, of course, do we need it in the long term, and if we need it, what would it be, whether it's nukes or renewables or other forms of generation.

There has been no commitment to new build, other than to make sure that we continue to have nuclear as a robust part of our energy supply mix and our determination that it will be roughly just under half of generation in the future.

With respect to the refurbishment costs, they're extremely rough in the plan. What we've done with respect to the refurbishment of Darlington is to take an entirely different approach than had been taken, I think, anywhere in the world.

Mr. Peter Tabuns: I don't actually need that piece of information.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: I'll go back. You've named a number of projects. Somehow, in the plan that you ran on, you had a \$33-billion figure for investment in nuclear generation. I would like to know what generating assets make up that \$33 billion and what number, even though it's rough—in fact, I argue in the House that it's very rough—what number is assigned to each component.

Hon. Christopher Bentley: Maybe I could ask, through the deputy, to call up Rick Jennings, who's the ADM of this area.

Mr. Peter Tabuns: That would be great.

Hon. Christopher Bentley: I thought you'd like that.

The Chair (Mr. Michael Prue): Mr. Jennings, just for the record, if you could give your full name and title to Hansard so we have it.

Mr. Rick Jennings: Yes. It's Rick Jennings, assistant deputy minister, energy supply, transmission and distribution.

The \$33 billion in the long-term energy plan consists of the estimated cost of refurbishment of Darlington—that's four units, 35 megawatts, at Darlington—and the remaining six units at Bruce that are currently operating and are to be refurbished. The total cost estimated for those—and this is a range, but it's estimated at up to \$18 billion, and that's for over 8,000 megawatts of capacity.

Mr. Peter Tabuns: I appreciate your giving me the number, so that's \$18 billion for 10 units altogether, four and six?

Mr. Rick Jennings: Yes, six at Bruce and four at Darlington.

Mr. Peter Tabuns: So \$1.8 billion per unit?

Mr. Rick Jennings: Roughly, yes.

Mr. Peter Tabuns: And there's no significant cost difference between the Darlington refurb and the Bruce refurb?

Mr. Rick Jennings: The Darlington one, which is probably more advanced in terms of the planning, is going to start in October 2016. So there has been work already done setting up the training facilities and breaking out the work into very short-term components and in terms of actually having had a competitive process for hiring people—

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Mr. Peter Tabuns: I actually don't need to know that.

Mr. Rick Jennings: Okay. There has been more work done on the actual precision of the work. The remaining part of the \$33 billion is an estimate or a number for the cost of a new build, and the new build would be up to 2,000 megawatts. So the number there would be about \$15 billion, which would be equivalent to about \$7,500 a kilowatt, which would actually be a bit above the range of some of the ones that are recently under way. There are a couple in the US that have recently started that would be at a lower cost than that.

These are also in what we call real dollars, so you would adjust them for inflation. The \$87 billion that is there assumes it will be the total cost.

Mr. Peter Tabuns: Sorry, I misheard you: \$87 billion?

Mr. Rick Jennings: The total capital costs of the long-term energy plan—

Mr. Peter Tabuns: Right.

Mr. Rick Jennings: —of which the \$33 billion is the relevant—

Mr. Peter Tabuns: Okay.

Mr. Rick Jennings: So I'm just saying that they are what you would look at the costs being today, and then you would have to include inflation.

Mr. Peter Tabuns: Okay. So it's all in 2011 dollars, or—

Mr. Rick Jennings: It's 2010, I believe.

Mr. Peter Tabuns: It's 2010 dollars. And is that overnight construction cost, or does that factor in financing costs over the course of construction?

Mr. Rick Jennings: There's a mix of them, because the refurbishment is looked at a bit differently.

Mr. Peter Tabuns: Can you tell me which is overnight and which is mixed?

Mr. Rick Jennings: I think the new build is effective—if you looked at what was done elsewhere, they would tend to use overnight costs. So that would be what we're—

Mr. Peter Tabuns: That's overnight. Can you tell me the sources of those estimates? Which body estimated the cost for the refurbishment? Which body estimated the cost for the new build?

Mr. Rick Jennings: The refurbishment costs are based on—they're looking at experience that's been done, and also the planning estimates of the companies that will be doing them, so Ontario Power Generation, Bruce Power. The new-build costs: Basically, one of the things that is looked at is—as I had referred to before, some is some experience in recently completed projects or in terms of started construction. There are two under construction in South Carolina, the United States, and various other ones. In terms of most comparable jurisdictions from labour and various other things, we would pull our weight to that. There are other ones under way in other parts of the world.

Mr. Peter Tabuns: So effectively, these were in-house studies. I'm not saying that in a critical way, but you didn't have an outside consultant come in and do an

assessment and say, "This is your likely cost." There's a fairly extensive research department within OPG to look at comparable construction in other jurisdictions to see what cost would be.

Mr. Rick Jennings: The ministry did, before the undertaking of the first competitive process, which was back—that started in 2008. There was a study that was undertaken the previous year. I think that was by McKinsey, so it was back in 2007. There was work at that time, looking at different technologies. More or less of that has been updated, some of it by resources such as OPG and Bruce Power, what have you.

Mr. Peter Tabuns: Can you tell us about whether the decisions to go ahead with Darlington refurbishment and Darlington new build will depend on the price of the projects? Is there an upset price beyond which you'll say, "It isn't economically viable"? Because I understand, Minister, that you haven't made any decision to go ahead with new build.

Hon. Christopher Bentley: Let me take the questions in order. The Darlington refurbishment: We've taken a different approach there than you would have seen with refurbishments before, which is probably a bit of the—I sense, from some of your questions in the House, you might have been a bit frustrated with my answers because—

Mr. Peter Tabuns: Yeah.

Hon. Christopher Bentley: That's okay. I asked for that, and it's fair—because I didn't give you a final price.

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: And that's for several reasons. The worldwide experience has been, on very large construction projects of any type, that it's very difficult to predict final price. Nuclear is no different.

So we've taken a different approach to this refurbishment than many others. One is to break it down, in this case, into seven different contracts. Every single one will be competitively procured. We haven't got the rest; we haven't finished the rest. They're going to be competitively procured.

The first one, the one that we announced, for the \$600 million, includes another element that is very different than you've seen anywhere else, and that is that they have engaged in—I will simplify it by calling it a very extensive planning, scoping exercise which effectively plans out the first major part of the refurbishment into 30-minute intervals so that they know who's going to be required, what they're going to be doing and where they're going to be at 30-minute intervals.

One of the things from previous refurbishments, that you're aware of and others may be interested in, is that when you get into the face of the reactor in particular, and the piece of equipment that you have doesn't fit the little fuel rod exactly, everything stops until they get—

Mr. Peter Tabuns: Minister?

Hon. Christopher Bentley: I'll circle right back; I'll make it quick.

Mr. Peter Tabuns: I'm not actually that interested in that part.

Hon. Christopher Bentley: I actually thought it was a good story, because I know you're interested in containing costs.

Mr. Peter Tabuns: It's a great story.

Hon. Christopher Bentley: But let me come back to the—

Mr. Peter Tabuns: So what's the cut-off price for you? If I'm going to buy a car and I've got 10,000 bucks, if the car comes in at 20,000 bucks, I can't buy that car. I'll buy a car for 10,000. So what's your cut-off price?

Hon. Christopher Bentley: You'll appreciate that I'm not going to speak to my cut-off price at the moment—

Mr. Peter Tabuns: Why?

Hon. Christopher Bentley: —to the extent that I have one, because I'm going to be—not me. OPG will be negotiating six more contracts and holding the feet of every prospective contractor to the fire with these, to make sure that we get the best possible price.

With respect to the new build, as I said, we are working with a couple of prospective bidders, and the idea would be to get these two prospective bidders—it will probably take more than a year—to come up with some bids that you can rely on and then make a decision about whether we actually need more power when it would come on stream 10, 12 years down the road. If we need more power, is this the best way and what are we competing with? Who else has a possibility? Conservation might be one. Gas might be one. There might be other possibilities. What are they? And then you can make that decision with more information on cost, with respect to nukes, than we've tended to have in the past.

And you'll know this: One of the challenges is, when people are giving a price about nukes so far away from the conclusion of the build, they're not only building in all sorts of risks but they're not able to estimate the risks properly, so we end up bearing it. By taking a different approach, we're removing a lot of the risk, better protecting the taxpayer, the ratepayer, and making sure that we have a better basis on which to make the decision on whether we actually want them in the first place.

Mr. Peter Tabuns: Now, one could assume from what you've said that you would accept an infinite cost, because you aren't going to set any cap.

Hon. Christopher Bentley: Gosh—

Mr. Peter Tabuns: You aren't going to say, "Boy, if we spend \$600 million or \$5 billion or \$20 billion or \$40 billion—we'll buy it at any cost."

Hon. Christopher Bentley: I've said a lot of things in my life, but I know I never said that. In fact, what I said was just the opposite.

Mr. Peter Tabuns: Well, then, tell me at what point do we say, "This is not a path that we need to go down, because we can't afford it?"

Hon. Christopher Bentley: As you'll probably appreciate—and I've never said that. What you'll appreciate—

Mr. Peter Tabuns: Well, then, tell me what actually is the cut-off.

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Hon. Christopher Bentley: When OPG, which is the one doing the negotiating, is in these competitive pro-

curement processes for potential contractors for each of the stages, and when those contractors are in their own competitive process with subcontractors, nobody announces their walk-away price at the beginning of a negotiation. The best way to make sure that you're going to end up on the bad end of a negotiation is to tell the other party everything they want to know.

Mr. Peter Tabuns: Well, you know—

Hon. Christopher Bentley: In fact, you want to keep poking them and prodding them so that you get them to give as low a price as possible, and then you go back and you get some more. And then you walk away, and you say, "Well, let's see if they come back." And then you figure it out. It's a very dynamic process, and I know you would want and everybody else would want every single penny to be saved for the people of the province of Ontario. And, gosh, we're going to do that, but we're never going to be able to do that if we tell the other side everything they want to know about our final position right now. I can't do that, because OPG is in charge of it anyway.

Mr. Peter Tabuns: Well, I'll say this right now: If you're going into a process and you either don't know or will not tell the public at which point nuclear is no longer economically viable, then we can't hold you and the public can't hold you accountable.

Anyone around this room who has bought a house or bought a car or, frankly, bought a washing machine knows that you decide what you can afford and then you buy within that parameter. Frankly, if I say I can spend 500 bucks on a washing machine, that I won't buy anything after that, and I've got two competitors, well, I'll take the least costly of the two competitors.

In the past, in estimates, it actually has been the case that a minister has said that there's a point at which it's too expensive. So if you're no longer going to tell the public when nuclear becomes too expensive or any other form of power becomes too expensive, we need to know that.

Hon. Christopher Bentley: Well, in fact, what we've done by setting up the refurbishment approach in this way is to build in a level of accountability and oversight that has not existed in these projects, either in Ontario or elsewhere, in the past. By breaking it down into seven different contracts, announcing the first part, the first point, we're accountable for that. You know what work is going to be done, and you know how much. You'll be able to measure, as will everybody else, whether this is going to come in on time, on budget. That's accountability.

We are building in oversight into this process to make sure that not only do we have the robust planning approach, not only have we broken down the construction and refurb planning approach into 30-minute increments, but we're building in an oversight that will add to that.

Competitive procurement processes in any area—and I appreciate the simplicity of buying a washing machine. I think we'll all agree that maybe refurbishing nuclear units is a little more involved and complicated than a

washing machine. There are a lot of dollars at stake in these discussions. We need to make sure that OPG is able to bring their best to bear on this. I think they brought a very creative approach so far in not only breaking it down into seven different contracts, but making sure that in this first one, they break down the work into 30-minute increments. The best protection we can all hope and expect is that OPG, representing, ultimately, our interests, is learning from past situations, is not repeating the same approach that hasn't always given the results that different parties around the world want, and is building in protections for ratepayers at every stage. That's what they've done.

They are commercially sensitive discussions all the time, but there will be, unlike in the past, obviously contracts that are let at every stage here. If there are seven different contracts, competitively procured, then you'll know when number two comes in, and you'll be able to say, "Okay, that's for X, and then we've got the rest."

So unlike other major refurbishments in the past, when all of a sudden there's a headline saying, "This is where we are"—and it's not always been a happy headline—you're going to see this move incrementally through, knowing that, at every stage, OPG, because it's competitively procuring this, is going to be able to say to anybody who's not toeing the mark, "Well, maybe you're not the one for us." So that is a very significant piece of protection, and because it's so big and involved, what they appear to have learned—you know, OPG was brought in to help the nuclear refurb at Point Lepreau get back on time, get it done. They were brought in to do this. What they've learned from that and other projects is that what we've done in the past hasn't always delivered the best approach, so break it down, plan meticulously, then plan some more and hold the contractor's feet to the fire at every single, solitary step of the way.

Gosh, I don't know, but I'd never tell somebody at the beginning of the process where I was determined to end up. I always want them to think they're about to lose the contract unless they sharpen their pencil even more. In fact, when I've got the price I want, I'm still looking for more. If you offer me the price that I want today, I know I haven't bargained hard enough. I'm walking out and I'm waiting for you to come chase me. There's a lot of money in these contracts.

Mr. Peter Tabuns: Well, Minister, every contractor knows that you've committed \$600 million to planning. And every contractor knows that myself or Mr. Fedeli—if you got up in the House and said, "We've spent \$600 million. We can't afford the next stage. Sorry, that \$600 million is down the sewer"—you're not going to do that and your successor is not going to do that. You've spent 600 million bucks. You've committed to spending 600 million bucks. We're on the hook for all the rest, because politically it is almost impossible to say we wasted \$600 million.

You can't tell me, even though in your long-term energy plan, you project what you're going to spend in total capital—you tell us how the hydro prices are going

to rise. Anyone who has an accountant or an energy analyst can do a backwards projection and say, "That's what you expect to be spending per kilowatt hour."

Look at the American experience. Figure out what it cost them. You can get a pretty good sense of what you're expecting us to be spending. I'm asking you to tell the public. This is not a private corporation. This is a public organization, and the public deserves to know whether you're running risks with our dollars. Where is it that you say, "You know, we're not going to go down the nuclear path. We're going to go down a different path"? Where is that?

Hon. Christopher Bentley: As you know, it's a very dynamic conversation. Five years ago, gas prices were heading upward. Now we have historic lows in gas prices, with great supply—apparently—all over North America. Five years ago, renewables were much higher-priced than they are today. Five years ago, we would take a look at the demand construct and say, "Gosh, we're going to need new power in 2015, 2016, 2017—it's not the case at the moment—maybe 2018, 2019." Then the worldwide economic recession hit.

We are taking every step to make sure that, every step of the way, the interests of the people of Ontario are fully protected and better protected than they have been in the past. Don't take the estimates in the long-term energy plan, which is a very rough sketch about what things are going to be costing, because they have to be trued up with market realities today, to how we can get a better price today—

Mr. Peter Tabuns: Gee, that's a very different line from what we got during the election campaign.

Hon. Christopher Bentley: No—to how we can get a better price today, to how we can take the proposals in there and find a better deal.

If you think that I'm just going to accept the deal in there as the best possible—we're always looking for the better deal. You've got to look for the better deal. Every minute of the day, you look for the better deal. You tell me it's going to be 33 for something; I want to know, can I make it 29? And that's what we're doing at every step of the way. So if anybody out there is listening to this, and they've settled into this comfort zone and they think, "Oh, great, the government of Ontario is absolutely going to pay for something," whatever they want us to pay for it, just because we said we're going to do it in here—that's not on. I'm standing up for families, for businesses: best deal, every minute of the day; clean, reliable, affordable power. And you know what? If somebody comes up with a clean, green alternative that's cheap and cheerful, I'm all ears. I'm not turning a blind eye to that, whether it's in that long-term energy plan or not. That's our planning document. A lot of work went into that. We've used that as the basis. I've said that many, many times. But if somebody comes with a better deal, I'm not going to say I'm not going to do it, just because it's not in there.

Mr. Peter Tabuns: So that document was irrelevant in the last campaign.

Hon. Christopher Bentley: That's not what I said at all.

Mr. Peter Tabuns: No, no, just a second.

Hon. Christopher Bentley: It's an enormously important document.

Mr. Peter Tabuns: That is the document you ran on as your energy plan and you're now saying, really, "It's a nice document but it has no consequence in terms of our planning."

Hon. Christopher Bentley: No. What I said—please, please—

Mr. Peter Tabuns: No. Minister, that's very clear.

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Hon. Christopher Bentley: What I've always said is that's the plan, but if you come up with a better deal, just because it's not in there, I'm not going to tell you to go away. It's a 20-year plan. So if you come up with a better deal, are you suggesting that I'd say to the people of your riding or my riding, "No, I can't look at that, because that deal wasn't in the plan"? No, no. In fact, that's what we're doing. When we bring in the consolidation legislation for the OPA and the IESO, that makes the point. The whole point—

Mr. Peter Tabuns: You already put \$600 million into planning and you don't know the ultimate cost of that project, nor does anyone else in Ontario.

Hon. Christopher Bentley: The whole point of that, or one of the points of that—

Mr. Peter Tabuns: You put our money where your mouth is.

Hon. Christopher Bentley: —is to make sure that the very important planning function that can be done in both of those areas is brought together to strengthen it, and that as you develop a plan like this, you're able to use the consumer oversight function, the Ontario Energy Board, in a more robust, real-time way, not only in developing the plan—that's important—but also to make sure that they have oversight over the parts of the plan to get a better deal. Who knows what the Ontario Energy Board might say? They might say, "What are you doing that for? This is cheaper." They might give us that advice.

The point is, this is enormously important. The long-term energy plan: Of course we ran on it. A lot of work went into that. Thousands of people participated in the discussion. My point to you is simply this: If somebody comes along and says to me, "You know what? I've got clean, green power at half the price," you bet I'm going to pay attention. I can't imagine that anybody watching these proceedings would want me to say anything otherwise.

Mr. Peter Tabuns: So, Minister, are you engaged in an ongoing search to displace most of the very expensive nuclear power with substantial investments in efficiency and conservation that will allow us to dramatically reduce the nuclear footprint in this province? Because you know very well that standard costs for power generation show new nuclear as very expensive; in fact, Citibank today said that new nuclear in the UK would be more expensive than offshore wind. You know that efficiency and conservation costs out at two to four cents a kilowatt hour. Why are you not announcing that your plan is going

to put efficiency and conservation first, displacing the need for this new risky and very expensive generation?

Hon. Christopher Bentley: Well, in fact, nuclear has long been clean, reliable, strong baseload power in the province of Ontario.

Mr. Peter Tabuns: You don't know what the cost is going to be.

Hon. Christopher Bentley: It does, by the way, happen to support almost 80,000 jobs in the province of Ontario. We are world leaders in nukes. It is our determination to make sure that nukes continue to be just about half of the baseload power in the future, but I say to the member—

Mr. Peter Tabuns: What if someone came across with a better deal?

Hon. Christopher Bentley: I say to the member that if you or others come forward with a reliable, cost-effective proposal for the huge numbers of megawatts we have to have every minute of every hour of every day in some other way, of course I'll take a look at it.

Nukes are reliable, strong baseload power. They run 24-7. They run on holidays; they run on off days; they run on busy days. I haven't seen too many proposals out there for the type of clean, reliable power that you can always count on. But if it comes, you bet I'm going to take a look at it. I'm on the lookout for everything. But realistic proposals—please, bring on those realistic proposals. I'm really excited by the possibilities, and I say once again, this is the plan, it's our determination, but gosh, if you bring me something that's not in there or if you say, "I can get you that cheaper," I'm all ears.

Mr. Peter Tabuns: So you're telling me—

The Chair (Mr. Michael Prue): That's the time; the time is up.

Mr. Peter Tabuns: It's a shame. We were just getting into it.

The Chair (Mr. Michael Prue): At this stage, the minister has an additional 30 minutes, if there's anything you haven't answered that you want to.

Hon. Christopher Bentley: Thank you so much. I'm delighted to take some time. You know, I wanted to build on a little bit of the conversation around nuclear and then maybe develop some other things. I think my first experience with nuclear was in the late 1960s when I, with the family, drove by the proposed nuclear power plant, the Bruce, and of course, I was interested in this technology that I was not aware of before.

Nuclear, from that point on, has been a very reliable and very clean source of power for the people of the province of Ontario. It's baseload power, which simply means you can rely on it, it can run and it runs 24-7. There are few sources of power, once it's built, that are more efficient and effective and none that are cleaner than nukes—none that are cleaner than nukes. There may be some that are as clean, but none cleaner. So it has been a very significant and important source of power in the province of Ontario for a long period of time. It's not surprising that when we developed and when we got extensive public consultation and submissions on the

long-term energy plan, the view was it should continue to be a source of power in the province of Ontario into the future. About 50% of our baseload power—it's about a third of the generating capacity, but because it runs all the time, it's about half of the power that we actually rely on and use. The fuel is relatively inexpensive, fuel prepared up in the great riding of Peterborough.

In fact, the nuclear industry in the province of Ontario supports—I've seen various accounts—I think it's close to 80,000 jobs; not only those directly involved in the nuclear facilities, but by both Ontario Power Generation and Bruce Power.

Also, who prepares the fuel cells, puts it into the fuel rods? Who does the retooling? Who does the year-to-year maintenance? Who does the research, the development? All of those spinoff industries, many of which are strung around the GTA—but every part of Ontario, and I mentioned Peterborough, is touched in some way by the nuclear industry.

I think we just need to remember that the nuclear industry has not only been a very good, reliable, clean source of power in the province of Ontario, but it also happens to support about 80,000 jobs. From what I've heard, and to use a phrase that I hear from another part of the House from time to time, particularly from the third party, those are good jobs. These are highly skilled jobs. These are very-good-wage jobs. These are jobs that support families. These are jobs requiring a high degree of skill, a great deal of technical expertise, a lot of training. These are long-term jobs. These aren't 60-minute jobs. We're talking about a lot of very highly skilled jobs that last a long period of time.

Of course, the nuclear reactors in the province of Ontario, the Candu technology that has been used in them, sold around the world—we have engineers here. We have experts here in the province of Ontario who take that expertise that's developed, nurtured, right here in Ontario all around the world. We've got nukes with the Candu technology all around the world—a very significant factor, a major export industry for us.

We also happen to have some of the world's foremost experts in nuclear technology and running nuclear power facilities. I mentioned Tom Mitchell, who's the head of Ontario Power Generation—so the Darlington and Pickering sites. He led the international effort, went over to Japan, to deal with the issues related to the tsunami, the terrible tragedy there that affected so many and caused such loss of life and huge long-term damage. Duncan Hawthorne was part of that, as well. They happen to be running our two facilities right here in the province of Ontario. What's interesting—

Interruption.

The Chair (Mr. Michael Prue): We have a 30-minute bell, which means in about 25 minutes we will be finishing. The minister has up to that much time left—about that, almost perfectly—so he can continue. If he doesn't want to continue, we'll probably break at that point.

Hon. Christopher Bentley: Oh, I'm delighted to continue, unless—

The Chair (Mr. Michael Prue): No, it is your 30 minutes. You have every right—

Hon. Christopher Bentley: I thank you so much. I'm enjoying this.

I was talking about Tom Mitchell, who's the head of Ontario Power Generation, leading the international effort that assisted in the tsunami-related issues around Fukushima, a very important effort. Of course, from efforts like that, we learn. We learn safety issues. We learn how to further enhance and build on safety.

Safety is always number one at Ontario's nuclear power facilities—always number one. Nothing else takes priority over that.

The fact that we have the leaders right here in the province of Ontario—I mentioned Tom Mitchell and, of course, Duncan Hawthorne—is extremely important for us. They all work very closely with the Canadian Nuclear Safety Commission, which of course is the federal regulatory oversight. They are always working, constantly probing, doing studies. But on top of that, there is an international agency that travels around the different nuclear facilities and does an inspection. The purpose of doing that and the reason every country lets them in is to make sure that the international agency is learning best practices and the nuke facility is learning best practices as well. Every jurisdiction is trying to build on its safety record and the best possible practices approach.

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You've heard me speak an awful lot about refurbishment and you probably say, "Okay, what is this?" I really should have explained that a little bit more. There's ongoing maintenance all the time, the type of maintenance work you'd expect in any facility, whether it's a power facility or a manufacturing facility—absolutely anything. But the nuclear facilities, after about 25 or so years, it's time for them to have a full overhaul. Again, you can probably push it out further, but safety is always number one. So they have what's called a refurbishment, a major overhaul, which really gives another 25 to 30 years of life. You're taking an asset after 25 or 30 years and you're saying, "Well, we'd really like that asset to last for 60 years." That's why they do a refurbishment.

Not surprisingly, when you do any sort of overhaul, you often don't really know what you're looking at until you get in there. You've heard many engineers, mechanics and millwrights speak about doing machinery overhaul, and gosh, when they got in there, they found something or other. Not surprisingly, that can happen in a nuclear refurbishment as well. It's important to learn the lessons of the past, to build on those lessons to make sure that you can control not only the time a refurbishment will take and how long the unit will be out of production, but also the cost of the refurbishment. Unlike the washing machine that the member from Danforth referred to earlier, a refurbishment of a nuclear facility is a very long and involved process, a highly skilled and technical process. It's important to get the approach right.

The approach being followed at Darlington, which is the refurbishment that we were speaking about before, is

a different approach than has been followed either in the province of Ontario or, to my knowledge, anywhere else—OPG may correct me, but anywhere else. That approach is to do three things, essentially: One, you learn the lessons of before. They were involved with New Brunswick Power to make sure that the refurbishment at Point Lepreau got back on track and was brought in, and it's coming online now, as I understand. They actually were able to learn a lot through that. They also learned from other jurisdictions which are conducting refurbishments.

But in addition to that, they've learned a couple of things that they're implementing here. First, break the contract down so that everyone who's participating in part of the contract knows exactly what they're doing over a much shorter period of time—much better to manage the progress, much better to manage costs—and then competitively bid on all of those. A contractor who gets part 1 is not guaranteed of getting the other six parts, if they're needed for the other six parts—they're not guaranteed. That does two things, of course. It makes them sharpen up the pencils when it comes time for the bid price, but it also puts extra pressure on them to bring it on time, on budget.

I really like that extra pressure. I like that little bit of uncertainty in everybody's mind, that little bit of uncertainty whether you're really getting the next day's work. I make no apology for that; I make absolutely no apology for that.

They've built that in, but then what's this 30-minute planning that I was speaking about? Gosh, I'm not the engineer. My father was an engineer and my brother is an engineer, but they knew I'd never become an engineer, so I had to become a lawyer. I'm probably going to explain this incorrectly, but one of the things that they've learned as these refurbishment projects take place is that you're dealing with a very sensitive area—the fuel face, reactor face—and you're dealing with many different pieces of equipment that need to be handled, and the machinery to handle these pieces of equipment is very specialized itself.

When this delicate process is taking place, like taking the fuel rods out, you want to make sure that the equipment you've got is going to fit the fuel rod exactly. If it's a little too big, then it can't be handled properly; if it's a little too small, it's not going to fit, and that's not going to work. That's not a simple run down to the basement to get the right pair of pliers. That can cause the whole effort—dozens or hundreds of workers—to come to a standstill while the new equipment is obtained—that's the lesson of before—especially if that new equipment has to be specially manufactured.

What they're doing in this case is actually—well, it's a bit of a dress rehearsal, in many ways. They're building a replica of the reactor face, and they're going to be able to test out the equipment with the person who's actually doing the procedure, to make sure that they know what they're doing exactly and the equipment works precisely, so that when they go in to do the actual reactor, they're

replicating what they've already done. They're planning that out to 30-minute increments.

Now, planning anything out to 30-minute increments, even planning a minister's concluding statement on the first day of estimates, is an interesting process. But when you're actually planning sequential work over months or years to 30-minute increments, that's a rather large and significant undertaking. If you're 31 minutes and you're still on it, they know they've got a problem. I like knowing that. I want to know that. Why is it taking 31 minutes? Why is it taking 32 minutes? They can get on it right away. Then you can go back to the contractor, back to the sub, back to whoever's responsible and make sure it gets fixed. I like that accountability.

You can also say to them, "Well, you know what? You're not doing the work the way you're supposed to be doing it. You're not going to be doing it for much longer." I really like that. I like the uncertainty that's around that: certainty of safety, certainty of completion, certainty of the goal, and uncertainty with respect to whether people are going to be continually getting work if they don't deliver on time and on budget. I like the accountability that is built into that. That's one of the lessons learned from projects that we've had in the past and over the years.

My colleague from Danforth and I had a good conversation about, "Well, are you looking at anything else?" Well, absolutely. We'll look at everything; we'll look at anything else. At the end of the day, what we're trying to do is make sure that we have a clean, reliable, modern, affordable energy foundation for the people of the province of Ontario. If we can generate our electricity, our power, here in the province of Ontario—we're just focused very much on electricity here. If we can generate power in the province of Ontario, that actually gives us a degree of control that we wouldn't have if we had to import it from somewhere else. That's important, because we've had the import story before and it wasn't always a happy story.

So, generating it here is important. It also means that we're benefiting from the jobs here in the province of Ontario. The energy industry here is very strong, very vibrant. We're world leaders in so many ways. I spoke to clean; I spoke to nuclear. We are leaders in so many ways. Supporting good jobs here in the province of Ontario by having them produce, manufacture, generate the power that we're actually using has got additional benefits, huge spinoff benefits, because as I say, most of these jobs are highly skilled, very technical and people get paid for their expertise. Let's just put it that way. So they are good jobs; they're very, very, very good jobs, so supporting that very robust industry here in the province of Ontario is important.

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So, are we looking at other things? Well, one of the characteristics of Ontario's supply mix is that we have a number of different ways of generating electricity, so we're not relying on just one form. Other provinces may just have hydro. We'd probably like to have the vertical challenges of other provinces and just have hydro.

We've got hydro. We've long had hydro. It doesn't generate all of our electricity, although, as I said, both at the Beck station in Niagara Falls and the Lower Mattagami River, among other places, we are developing more and more hydro.

We've got gas-generating facilities; have had them for years. We have more gas generation that we've brought on around the province of Ontario. It's part of the mix.

We've got the clean, green renewables that are becoming part of the mix in the province of Ontario: the wind, the solar, the bio—very important.

We've said no to coal. We've decreased that 25%. We are down to much less than 10% right now. In fact, much of our coal capacity is really just there for peaking issues and to integrate renewables from time to time and a just-in-case scenario as we get out, but we're going to be out of coal by the end of 2014—no later. We are absolutely on track by the end of 2014. That is a very significant change in the supply mix of the province of Ontario.

My friend mentioned, and I know will speak again, about conservation. The people of Ontario, the families and businesses in the province of Ontario, have been doing a remarkable job around conservation. In fact, it's probably the first and the easiest way to reduce your energy bill. Whether you're a family or whether you're a business, you want to keep doing what you're doing but do it with less. Businesses have recognized this, and we're continuing to develop ways of making sure they're aware of opportunities to continue their production or increase their production while reducing their use of electricity, of power.

Families are increasingly aware of this: the exchange of LED lights; the simple turning it off. There are many ways that families can participate in conservation efforts.

Conservation can, in fact, make sure that we don't need to invest in what is expensive generation, no matter which form you choose. No matter what your choice, building something is going to be expensive. There's no question around that. So if we can create the equivalent of a power plant by reducing demand, by conservation, that's money that the people of Ontario, families and businesses, don't actually have to pay. That is a great, great result.

More and more conservation has occurred in Ontario. We've set enormously ambitious targets. We're well over 1,700 megawatts of power—I know; kilowatts, megawatts, terawatts—that's about the same as a nuclear reactor, to put it in context: 1,700 megawatts.

What you need to make sure with respect to conservation is that you can always count on that power. You can always count on that reduced demand because if you're only conserving Monday, Wednesdays, Fridays and Saturdays, it doesn't help. So conservation can displace, can mean that you don't have to invest in new generation if you can always count on it all the time.

That's where we're trying to move with conservation initiatives. We make sure that we can always count on it or we can always count on it during those peak periods of demand use, like hot summer days. We've got some industrial conservation initiatives that really address this.

If we can get big power users to agree not to use power during the hottest times of the year, when we'd otherwise have to bring on expensive additional generation or import power, that can be a major saving for families and businesses throughout the province of Ontario.

So we're very alive to the importance of conservation, but there are other possibilities in the future. I mentioned before that gas is now at historic low prices. Those historic prices today: Are they something that you can count on in the future to get electricity that's generated from gas at a lower price than it has ever been in the past? It will be interesting to see what that actually means in the future. You have to plan for the long term; that's why it's a long-term energy plan. Because what looks great today is not so good in five or 10 years' time sometimes. We always have to remember that when we're dealing with reliability, we are dealing over the long term and you don't build generation overnight. That is a lesson that we learned in the run-up to 2003 and for a few years after that. So we're always mindful of that.

But I say to everybody that if there are other ways of bringing on the new power that we may need—or making sure we don't have to bring on new generation—that are more cost-effective and that are as reliable and that are clean—not interested in going back to coal; not interested. It has huge health effects, big environmental effects. But if there are other ways, I want to see the cost proposition. I'm very, very interested in that. At the end of the day, it's what is going to work best for the families and businesses in the province of Ontario.

You know what's interesting about coal? That even among states in the United States that have drawn a lot of their power from coal generation, they're now looking at green sources of power. The governor of Illinois was up here not too many months ago, talking about their intention to start obtaining green power by 2018. They had a target; they've already set a target.

So it's interesting that even those places you would have thought maybe they're not so interested because they're either sitting on or historically have burned or they're right beside a heck of a lot of coal, they're now looking at cleaner, greener sources. Why? Well, not because it's cheaper, necessarily, but it is cheaper when you factor in the health care costs, the environmental costs, the lost productivity from people being sick—not to mention the number one for me is the human suffering: people getting sick, premature deaths, hospital admissions, families and individuals devastated by illness, millions of people across this country who have breathing difficulties and for whom taking a breath is a real struggle.

We say in many different contexts that we should take steps to make sure that somebody with a health issue gets the help they need. We don't stand to say, "Oh well, you know what? I'm not sure I'm going to give them the help they need because I don't want to pay an extra buck or two." We don't say that. We just expect it.

Well, a lot of people were getting sick from dirty air and there were a heck of a lot of smog days, as I recall, in

2002-03 and yes, continued into 2004-05—a lot less last year, the last several years.

The effect of what we're doing, the leadership that we're taking, is being felt. It's being felt all across this province. It is a very significant initiative; it is the largest greenhouse gas reduction initiative, I believe, in North America. It will be the equivalent, I believe, of taking about seven million cars off the road. It's a huge, huge greenhouse gas reduction initiative, very significant for people with breathing and other health-related issues and difficulties. We happen to be doing it in a way—we're adding to, accelerating our getting out of coal in a way that is developing a clean, green economy here in the province of Ontario.

And I'm just going to go there. I've got my hand-held device here, my BlackBerry. Over the past five years, we've done the equivalent of what took 50 years before, which was going from that black rotary phone to the hand-held device, and hand-held device that's enormously powerful, that can search the Internet, communicate with people all over the world. We've done that here in the province of Ontario with smart meters.

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We've done that here in the province of Ontario with smart meters. We've employed technology which has the potential to be as powerful as going from the rotary phone to the hand-held device. What we haven't yet done is develop and give people the instruction manual on what you actually do with the information that we gather, and we're just starting to do that. We're just scratching the surface of that. That's where the money-saving for families and businesses comes from. That's where the system benefit of actually not needing to generate as much power because we can move it around better comes from. That's where the ability to identify breaks in lines, identify issues of congestion and deal with them electron-

ically will come from: smart meters and the related smart grid.

But we're only just starting that—and you're going to tell me that I have—

The Chair (Mr. Michael Prue): I just want to tell you: You have three minutes left. You actually have three minutes and 30 seconds, but you only have three minutes today. You'll have to use the last 30 seconds next time, if you really need it.

Hon. Christopher Bentley: I will probably just end on this, because I know everybody is anxious to get up to the vote, as I am. I will simply end by saying that I'm really looking forward to the next couple of years as we let families and businesses know what they can do to manage their consumption of power through smart meters, through the smart grid, with the information that's now available to them. Save energy, reduce overall need, save money: perfect combination. It's the great unexploited opportunity.

Guess what? The world's taking notice. International journalists are coming here to see what we're doing in smart meters, smart grids and related technology. They're coming here because they know we're the leaders. Where are the jobs? We've got them. We're the leaders. That's where the jobs of the future are going to come from, in part.

On that note, Mr. Chair, though I would like to continue for another 13 hours, I will—

The Chair (Mr. Michael Prue): You will.

Hon. Christopher Bentley: Thank you very much.

The Chair (Mr. Michael Prue): Okay. We are going to be adjourned at this point until Tuesday, May 15, at 9 o'clock. That gives everybody just over six minutes to get upstairs. Meeting adjourned for today.

The committee adjourned at 1755.

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Mardi 15 mai 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie

Chair: Michael Prue
Clerk: Valerie Quioc Lim

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 15 May 2012

Mardi 15 mai 2012

The committee met at 0900 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): Order. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of 13 hours remaining. When the committee adjourned at the last meeting, we had finished with the minister's reply. The remaining time will be divided amongst the three parties in 20-minute rotations.

I recognize the official opposition, who has the first 20 minutes.

Mr. Rob Leone: Minister, you mentioned last week that all the parties agree that the Mississauga gas plant shouldn't be located—

Mrs. Teresa Piruzza: Point of order, Chair, if I may: You may recall that, last week, I raised a point of order with respect to both the Oakville and Mississauga plants with respect to standing order 23(g): that matters out of order in debate are any matters that are subject to a proceeding pending in a court or before a judge or before any quasi-judicial body where it is shown to satisfaction. I did raise that last week. There wasn't further consideration, so I ask that it be considered at this point before we go any further with this line of questioning.

The Chair (Mr. Michael Prue): First of all, I believe the member can ask this, but we have taken the liberty and the prerogative of asking the clerks' department to research whether, in fact, there is anything. It is not abundantly clear that there is on all aspects of this case. So I would allow the question, but we may have to recess this until the afternoon when the clerks' department is definitive as to whether or not there are outstanding legal matters. But I haven't heard your question yet to know whether it's in or out of order.

Mr. Rob Leone: Thank you, Chair. That's exactly the point. I don't think I was going to ask anything that was related to the lawsuit or whatever lawsuit that may be pending. I was going to ask a question about the location of the site to begin with, which I don't believe is part of any legal proceeding whatsoever. I hope this line of questioning can continue without the interruption of the government on this committee.

You mentioned, Minister, that the site—we all agree that that site was a mistake. But you're the government, and you're the government that actually agreed to build that power plant on that site. Can you tell me why?

Hon. Christopher Bentley: Well, I think the approach on this is: All three parties do agree that the gas plant should not proceed on that original site. All three parties have taken a very strong position about that. You know that the work permit was finally issued in May 2011, and it was at that point that greater activity actually occurred. It became clear from that point on that it would not be appropriate to locate the plant at the original site.

I think the entire contracting discussions, which were led by the Ontario Power Authority—how it came to be put there and the decisions and discussions around that—will be tied up in the original discussions. Apart from saying that the Ontario Power Authority was the one that was responsible for contracting with Greenfield and reaching a contract with them to locate a power plant, my suggestion would be that the further issues around those discussions that led to that, the discussions around what happens from this point on, are all part of a very commercially sensitive, time-sensitive, real-time, not only discussions between the OPA and Greenfield, but they are also potentially—I don't know, but there are lawsuits, both in the United States and in Canada, that focus on these issues. Those questions, really, should be left, I would respectfully suggest, for the various commercially sensitive discussions and the lawsuits.

Mr. Rob Leone: Minister, the MPP for Mississauga South, Mr. Charles Sousa, was reported after the last election calling the Mississauga power plant location—and I quote from an article on mississauga.com: "It was a dumb place to put it, a dumb place to have it."

Did the MPP for Mississauga South at any time before the 2011 general election, as a member of your cabinet and the executive council, voice those concerns to cabinet on the location of the Mississauga gas plant?

Mrs. Teresa Piruzza: Chair, I'm going to suggest that we consider this point of order, respecting that there are legal proceedings, and any element of those projects may or may not—I am not sure of the case—be a part of the proceedings. So I would—

Mr. Rob Leone: I'm only asking about—

Mrs. Teresa Piruzza: No, I'm sorry. There are ongoing legal proceedings and lawsuits in respect of both of these. I'm not sure of what all the areas are, but there are, and anything that we say may or may not—

Mr. Rob Leone: We don't even know that there's a lawsuit to begin with.

Mrs. Teresa Piruzza: The member is inappropriately placing the Minister of Energy in a position where a

certain answer could jeopardize the proceedings, and I'm going to have to suggest that we break, we recess and we consider this so that we can finally—

Mr. Rob Leone: Absolutely not.

Mrs. Teresa Piruzza: It's up to the Chair, I think.

Mr. Mario Sergio: It's up to the Chair.

Mrs. Teresa Piruzza: I believe it's up to the Chair to consider this. The Chair and the clerk should take time to consider this.

Mr. Rob Leone: I would like to respond to that point of order—

The Chair (Mr. Michael Prue): Wait a minute. First of all, are you requesting a recess?

Mrs. Teresa Piruzza: I am suggesting that I believe the Chair and the clerk should do due diligence to consider this point of order, this very real point of order, and that questions with respect to both the Oakville and Mississauga plants, which are currently under legal proceedings, as the minister has indicated, may in fact jeopardize those proceedings if we continue to discuss those two issues—as is allowed under the standing orders.

Mr. Rob Leone: Chair, may I?

The Chair (Mr. Michael Prue): So I take it you are not requesting a recess, you are requesting that I take a recess.

Mrs. Teresa Piruzza: I'm respectfully requesting you to consider this point of order and to ensure that we do nothing to jeopardize the legal proceedings that are currently under way—a discussion that we had at the last meeting that the questions were stopped with respect to both these plants. We don't know what those proceedings are, so we can't say, I don't think, at this hearing whether or not any discussions may or may not jeopardize or make those proceedings detrimental to the province.

The Chair (Mr. Michael Prue): Okay. Mr. Leone in response.

Mr. Rob Leone: Thanks. Chair, I'm only asking about a discussion that happened at cabinet with respect to the original location.

Interjection.

Mr. Rob Leone: Are you interrupting me now?

Mrs. Teresa Piruzza: You interrupted me.

Mr. Rob Leone: Chair, all I'm asking for is whether there a discussion in cabinet with respect to the MPP for Mississauga South and whether that MPP had ever voiced his concerns with regard to the location of the site. It has nothing to do with any legal proceeding that may or may not happen or be occurring at this point in time.

The Chair (Mr. Michael Prue): Okay I have—further on this point, then?

Mr. Michael Harris: Yeah. Also, I believe that the member opposite—

Interjection.

The Chair (Mr. Michael Prue): Sorry, I did not see your hand up.

Mr. Michael Harris: —stated that both plants were under legal proceedings, but I believe in fact the minister stated last week that only one was. So that would still

allow us, even regardless of your ruling, to speak to at least one of them for now.

The Chair (Mr. Michael Prue): Who had their hand up first? Mr. Sergio.

Mr. Mario Sergio: Chair, I would call on your understanding and your indulgence here, because it's a very sensitive issue; it's a sensitive matter. This matter also interests the Standing Committee on Public Accounts which, by the way, they have already deliberated upon it. They have an interest, and not only do they have an interest, but they are looking at the issue and they have acknowledged this particular issue and its sensitivity.

So we would be calling on you, Chair, to stand firm and either consult the clerk and take the five minutes—if you wish to include us, that's fine; if you want to do it on your own, then consult with the clerk on this particular matter—but not to let questions on the two issues since they are, as we said, in a very sensitive matter at this particular time.

The Chair (Mr. Michael Prue): Further discussion? Anybody? Yes, Mr. Moridi.

Mr. Reza Moridi: Mr. Chair, I just wanted to reiterate on what Mr. Sergio mentioned. As a member of the public accounts committee, this issue is before the public accounts committee, and I think there is no point in us jeopardizing the commercial matters in relation to government assets, basically, in this committee. This matter is before the courts, so there is no point of mentioning and then discussing this at this committee, making it public.

The Chair (Mr. Michael Prue): Mr. Harris.

0910

Mr. Michael Harris: Again, for the record, I believe Oakville is not under legal proceedings. I want to make that point clear.

The Chair (Mr. Michael Prue): Minister Bentley, although you're not a member of the committee, if you could elucidate, I think what we need to hear is whether one or both of these are currently the subject of legal action—not threatened legal action but actual—because that's the decision I have to make, whether this is before the courts. If it is not, that's one thing; if it is, that's another.

Hon. Christopher Bentley: Thank you very much. I spoke to this in part—well, probably extensively—last time. The Mississauga plant is subject to three different areas. First, the discussions, as I have spoken to on quite a number of occasions, between the Ontario Power Authority and Greenfield, have been going on for some period of time. They are, quite apart from any legal proceedings and quite apart from any lawsuit, very commercially sensitive, and the interests of the people of Ontario are being protected through those commercially sensitive legal discussions that are going on at the moment.

Revealing any of those commercially sensitive discussions or the issues that lead up to them may disadvantage the one party, in this case the party representing the interests of the people of Ontario. So I am very concerned, on that ground alone, about going further beyond this.

They're at a very crucial stage. They have been proceeding, and the interests of the people of Ontario, as well as commercially sensitive interests—

With respect to lawsuits, there are lawsuits in both the United States and Canada in relation to the various parties affected by the Mississauga gas plant. Those are active and proceeding at this point in time—two sets of lawsuits or legal proceedings.

The Chair (Mr. Michael Prue): Is there a lawsuit, too, from the government of Ontario and those who wanted to build the Mississauga plant?

Hon. Christopher Bentley: The legal proceedings in Canada have us named as a party; the legal proceedings in the United States involve the issues and obviously involve the commercially sensitive nature of the issues. So, through the legal proceedings in the States, there are naturally—Mr. Chair, you will be aware that there are procedures in all lawsuits where one party can be cross-examined about facts and circumstances and others can be brought in to answer questions, and there are legal protections in those proceedings that protect sensitive issues, whether they're solicitor-client, whether they're commercially sensitive, whether they're the subject of various privileges that have long been respected by committees of this. So, in the American proceedings, as I understand them, those issues may or may not come before the court at some point in time and be subject to the usual privileges that attach, and a court will determine that.

There are legal proceedings in Canada—in Ontario—that affect the OPA, the government, directly.

The Chair (Mr. Michael Prue): All right. I have listened to this, and this is a very thorny issue. We have on the one side the right of parliamentary privilege of the members to question in estimates the minister and the staff. We have on the other a potential lawsuit, because it does not appear to me at this point—although there are peripheral lawsuits, there is not a lawsuit directly, at this point, against the Ontario government, filed here in Ontario. This is a difficult one.

Interjection.

The Chair (Mr. Michael Prue): I was just making my ruling. Is it something that is absolutely essential?

Mr. Mario Sergio: Chair, I was going to say that this is an item that is being dealt with now at the Standing Committee on Public Accounts. I believe they haven't finished their deliberation on this particular issue, and I wonder if it would be wise for us to wait until we hear what they have to say, and we can take it from there. I thought I would jump in.

The Chair (Mr. Michael Prue): Okay. I was going to get to that in a minute.

Mr. Mario Sergio: Okay. Thank you.

The Chair (Mr. Michael Prue): It would appear to me that Mr. Leone has the right to ask the question, but it is also abundantly clear to me that the minister can, as part of his answer, invoke his privilege as to what is happening in the lawsuit, and that can be his answer. In terms of the other committee, they have a job that is separate

and apart from that which is before this committee, and I cannot say that Mr. Leone does not have the right to ask it because it's being asked somewhere else or that the minister does not have to answer it because it's being answered somewhere else.

So I would caution Mr. Leone—I'm going to allow him to continue, but I would caution him that the minister is well within the prerogative of his duties, if he feels it necessary to protect the government of Ontario's position, to simply state so, and the line of questioning may not have the results you are hoping for, all right?

I am going to allow the question to continue. If you want, you also have the option, because we go in rotation—we're only getting one rotation this morning. By this afternoon, the clerks' office has assured me that there will be a more definitive response. When we come back this afternoon, should you have other questions on other matters, it might more carefully be resolved. In the meantime, I think your question is in order, but the minister's right to answer it by invoking that privilege because it's before the courts may be the only answer you get, okay? Please proceed.

Mr. Rob Leone: I'm going to ask one last question today on the Mississauga gas plant, and I'm going to pass it off to Mr. Harris. Was it a cabinet decision to locate the plants in Mississauga and in Oakville? Was it a cabinet decision that led to the site location of those two plants?

Hon. Christopher Bentley: As I indicated before, the Ontario Power Authority was the one that was responsible for procuring the plant, procuring the necessary power generation ability. They were the ones responsible for contracting. I think to go further than that into the details would put me on the slope of potentially going into areas that may or may not be the subject of either lawsuits or very commercially sensitive discussions. Obviously, the Ontario Power Authority was set up by the province of Ontario, and they were the one responsible for contract—

Mr. Michael Harris: Minister, I'm just going to interject: Last week, you said that you read in the paper about the decision to cancel the Mississauga power plant. As a senior minister, obviously, in the government, would you say you were left out of the loop in this decision-making process, as a cabinet minister and member of the executive council?

Hon. Christopher Bentley: Well, you know, I wasn't the Minister of Energy at the time. I had a different portfolio, and I read about it in the press—whether it was the paper or whether it was the online version, I can't actually remember, but do know that's how I—

Mr. Michael Harris: Don't you feel that decisions such as this—

The Chair (Mr. Michael Prue): This will be the last question.

Mr. Michael Harris: —of billion-dollar cancellations wouldn't have to be vetted through cabinet? Yes or no.

Hon. Christopher Bentley: The—

Mr. Michael Harris: Just a quick yes or no is fine.

Hon. Christopher Bentley: The issue around the decision by the Liberal Party, by news release, to indicate

that the plant would not be continued at that site was one that was joined in and accepted by both other parties, the PCs and the NDP—in fact by the PC candidate that very evening. The statement went on to indicate that if the Liberals were elected as the government, steps would be taken to make sure it did not continue—

Mr. Michael Harris: So you're suggesting that both the PC and NDP caucuses were at the executive council table, but you weren't, for part of this decision?

0920

Hon. Christopher Bentley: I know that's not what I said. What I did say was that the decision not to have the plant at that site was one that was concurred in by both the PCs, through the then—

Mr. Michael Harris: But who made the actual decision to cancel the plant?

Mrs. Teresa Piruzza: Chair, please—

Mr. Michael Harris: He's not answering my questions.

The Chair (Mr. Michael Prue): I know, but the time is up in any event.

Hon. Christopher Bentley: —through the then candidate, the PC leader and ultimately, later, by the NDP.

The Chair (Mr. Michael Prue): Okay. We're going on to Mr. Tabuns. I note that there is a potential vote in 19 minutes, so we're going to have to break in about 15.

Mrs. Teresa Piruzza: Could I ask for a five-minute recess, please, just to kind of go over some of the elements that have come up this morning, please? I ask for a five-minute recess, please.

The Chair (Mr. Michael Prue): Is there agreement? Does there need to be agreement?

Mrs. Teresa Piruzza: I'm asking—

The Chair (Mr. Michael Prue): You are entitled to a recess if you want to consult.

Mrs. Teresa Piruzza: I'd like a recess is what I'm asking, yes.

The Chair (Mr. Michael Prue): To consult?

Mrs. Teresa Piruzza: That's right.

The Chair (Mr. Michael Prue): That's usually before a motion. Sorry. There is no motion before us, so it would require approval.

We have a request for a five-minute recess. All those in favour? All those opposed? I have to break the procedural—I don't know what the recess is for, so I'm going to say no, because we're trying to get through. There will be opportunity during the middle of Mr. Tabuns's questioning for you to consult before we come back, and then again this afternoon.

Mr. Tabuns, you've got about 13 minutes before we have to break for the vote.

Mr. Peter Tabuns: I'll do as best I can. Thank you, Chair.

Minister, Ontario Power Generation, on March 2, 2012, put out a news release, "Ontario Power Generation Reports 2011 Financial Result." I apologize that I don't have an extra copy here to give to you, but some of your staff may have that document at hand. It's not an obscure

document; it's the news release on the performance from the year before.

In the financial and operational highlights, there is an item, "Earnings on nuclear fixed asset removal and nuclear waste management funds." Can you tell this committee the total value of those funds?

Hon. Christopher Bentley: Well, I think, first of all, it would be quite helpful if I actually had a copy of what you're referring to.

Mr. Peter Tabuns: I'm sure.

Hon. Christopher Bentley: It would be helpful before I started answering the question if I had a copy of what you were referring to, so if you want to give me a copy of the press release—I take it the press release was something issued by Ontario Power Generation?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: You said on March 2—just so we can get the dates right?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: And it followed the release of financial statements by Ontario Power Generation?

Mr. Peter Tabuns: The day that it reported its financial and operating results.

Hon. Christopher Bentley: As a public company, OPG does report its financial data every year. I don't happen to have a copy of its financial data or the press release in front of me, but I suspect we could find one, and then we can go back and deal with your question, because I'm sure you would appreciate an answer to it.

Mr. Peter Tabuns: Well, I would, and if you could undertake to bring back to this afternoon's session information on the total value of the fixed asset removal and nuclear waste management funds, that would be helpful.

Hon. Christopher Bentley: So let me just get straight what you're asking about. There's a reference in the press release that I don't have in front of me—what is it a reference to?

Mr. Peter Tabuns: It's the financial and operational highlights, and the line is "Earnings on nuclear fixed asset removal and nuclear waste management funds." I'd like to know the total value of those funds.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: So if you could undertake to bring that this afternoon. I think it will be easy enough for your people to access that.

Hon. Christopher Bentley: I'll dig out the press release. Are you going to be referring to OPG's publicly disclosed financial information as well?

Mr. Peter Tabuns: Yes, I am.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: And on the same page, further down, there's a line that says, "Nuclear waste management segment." I'd like to know what that amount is and how it is differentiated from the line that I just gave you, "Earnings on nuclear fixed asset removal and nuclear waste management funds."

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: And I would like you to disclose to this committee how those funds are invested.

Hon. Christopher Bentley: So those are your questions. I'm taking your questions down.

Mr. Peter Tabuns: Yes, and I'm asking for an undertaking to bring that information back to our session later today.

Hon. Christopher Bentley: I'm writing down the questions, because this is the first I've heard of your questions, and I don't have the material that you're referring to in front of me. There's a line in the material that refers to "Nuclear waste management segment."

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: And it was about the segment that you're interested in—what is it that you're interested in?

Mr. Peter Tabuns: In both of these lines that I've referred to, I'd like to know the total value and how the funds are invested: stocks, bonds, GICs.

Hon. Christopher Bentley: Are there any other questions that you'll want to put this afternoon when we come back?

Mr. Peter Tabuns: In 2010 and 2011, on the first item, "Earnings on nuclear fixed asset removal and nuclear waste management funds," you lost more than \$1 billion in earnings on those funds, and I'd like to know why you lost more than \$1 billion on those funds.

Hon. Christopher Bentley: Okay. Now, is that referred to in the press release that you're reading from?

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: The press release shows losses of \$668 million in 2010 and \$509 million in 2011. And further—since this not technically complex; I'm sure that your folks can provide us with this—the losses in 2008 and 2009.

Hon. Christopher Bentley: Are those referred to in the press release as well?

Mr. Peter Tabuns: They are not, so you would have to ask financial people in OPG why we lost in 2010 and 2011 and what the results were in 2008 and 2009.

Hon. Christopher Bentley: So you're interested in this information from the public company known as OPG and you're referring to a press release on March 2 of this year. Is there a press release that refers to your question about 2008 and 2009?

Mr. Peter Tabuns: No.

Hon. Christopher Bentley: Is there any document that I should have in relation to that before I return this afternoon?

Mr. Peter Tabuns: My assumption is that as Minister of Energy you will have access to the financial results for 2008, 2009 and 2010, and if they're withholding it from you, you bring it back to this committee.

Hon. Christopher Bentley: I'm sure neither they or I actually knew that you were going to refer to a press release of March 2, 2012, before you actually asked the question. So I was asking whether there is another docu-

ment that you might be referring to this afternoon before the questions resume.

Mr. Peter Tabuns: No, not with regard to this.

Hon. Christopher Bentley: Okay. Thank you.

Mr. Peter Tabuns: I'll go back to that this afternoon and go on to your long-term energy plan.

Hon. Christopher Bentley: Can I just ask: Do you have a copy of the financial results—of the detailed results that OPG has publicly disclosed?

Mr. Peter Tabuns: No, I have this.

Hon. Christopher Bentley: You just have the press release.

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: You may want to bring that with you and we can go through it.

Hon. Christopher Bentley: Thank you.

0930

Mr. Peter Tabuns: The energy planning process: What prompted the changes to the long-term energy plan process in Bill 75?

Hon. Christopher Bentley: Bill 75, dealing with the amalgamation of the Ontario Power Authority and the IESO, refers to an approach that builds on what we've done in the past in terms of coming up with an energy plan—not only a long-term plan, but a plan that can get real-time, good, strong input from the Ontario Energy Board, stakeholders, the public and the Legislature.

I think it's important to recognize that there are a number of different levels of planning. In fact, the Ontario Power Authority and the IESO are both engaged in planning themselves at various points in time. The IESO regularly puts out outlooks about demand over an 18-month period—demand and supply and various other issues related to power. The OPA is involved in not only short-term but long-term planning for the province of Ontario. Then there is the long-term energy plan—the one you were referring to the other day—put out in 2010, which itself was the subject of a very extensive public consultation approach and numerous submissions. I believe it was the subject of some extensive input from the public at various levels—many, many submissions—to come up with the long-term energy plan.

The approach that exists now is that that long-term energy plan would form the basis of what's known as an IPSP, or integrated power supply plan, that would be prepared by the Ontario Power Authority and sent on to the Ontario Energy Board, and that would then be the subject for further input.

There are a number of challenges with that, and if we just take a look at what's happened over the last three or four years, we can begin to see what some of those challenges are. In 2008, the worst recession since the 1930s greatly changed the demand curve; in fact, the demand did not react after that as it had reacted from previous recessions. Conservation initiatives were significantly more effective, I believe, than other conservation initiatives, or that had been the experience in the past. And so what was the result of extensive input and

planning into the long-term energy plan was then being affected by circumstances that had occurred prior, were occurring at the same time, but were ones we had to deal with.

What we have at the moment is a very extensive consultation process that doesn't have as much nimbleness and flexibility and ability to get real-time, quick input from, for example, the Ontario Energy Board, as we would like. It doesn't have as much.

One of the things we're proposing through Bill 75 is that the Ontario Energy Board would not be involved just at the end of a very long planning exercise, but in fact they would be involved at two stages. They would be involved during the preparation of the long-term energy plan. They would also potentially be involved on specific issues flowing from the long-term energy plan. As you know, because the Ontario Energy Board has a mandate that includes protecting consumer interests, getting that real-time, much more nimble ability to have the independent arbiter known as the Ontario Energy Board to provide that input on an ongoing basis is very important.

The Chair (Mr. Michael Prue): I'm going to have to stop you there. As there is a division being called in the House, pursuant to standing order 128, I must suspend the committee meeting at this time to enable members to make their way to the chamber to vote. I ask members to please return promptly, as the committee meeting will resume shortly after the vote in the House, approximately five minutes after the vote takes place in the House.

This meeting is suspended for about 12 or 15 minutes.

The committee recessed from 0935 to 0945.

The Chair (Mr. Michael Prue): Meeting is resumed. Mr. Tabuns, you have approximately seven minutes left.

Mr. Peter Tabuns: Okay. Minister, I've been listening to your explanation of the shift with Bill 75, and if I understand—

Hon. Christopher Bentley: I was still—

Mr. Peter Tabuns: —what you were saying correctly, events moved quickly. The plan couldn't keep up. You didn't see the planning process as viable because events were overtaking what you had put forward.

Hon. Christopher Bentley: I think a little different than that. What we wanted to make sure of is that we got the benefit both of the long-term planning opportunity but also injected a degree of nimbleness in the oversight and review that we all want, to make sure that consumer interests, which the Ontario Energy Board has as part of its responsibility, are able to be reviewed and looked at from an independent perspective faster, more nimbly and more able to adjust to circumstances than the current process would appear to allow or require.

So that's why what we're doing is not only maintaining a plan approach but also introducing some flexibility for the Ontario Energy Board to have sort of a twofold review opportunity, both before and after the plan is actually concluded.

Mr. Peter Tabuns: When is it that you determined that the IPSP process was not working? At what point did your ministry decide this isn't taking us where we want to go?

Hon. Christopher Bentley: I believe it's enormously important that there is a plan, and one of the characteristics of our approach to energy is that we take a look at the issues. We have taken a look consistently at the issues to make sure that there is a plan. The long-term energy plan, which was published in the late fall of 2010, is a plan. It's a very public plan; it was arrived at through a public process. Lots of people have had input.

You go from the basis of the plan, then, to the specific operational decisions to make sure that the plan can be executed. That's where the second stage, which the Ontario Power Authority was implementing, comes in: the integrated power supply plan, which itself by definition is going to be a very detailed document—would be—would involve a great deal of study, research and input. Then that gets, under the existing approach, sent to the Ontario Energy Board.

So it's a question of what will work best to make sure that families and businesses in the province of Ontario receive reliable, clean, affordable power today and into the future. So it's not a question of one or the other—

Mr. Peter Tabuns: Minister, excuse me.

Hon. Christopher Bentley: If I could just finish up, it's a question of—

Mr. Peter Tabuns: When did you determine that the planning process that you've been committed to for many years no longer worked?

Hon. Christopher Bentley: No, it's not that, and that's the point I'm trying to make.

Mr. Peter Tabuns: Well, you brought forward a bill that substantially changes the process. When did you decide that what you'd committed to under the long-term energy plan and the directions you'd given to the OPA to put together an integrated power supply plan—when did you decide to abandon that for this new approach?

Hon. Christopher Bentley: What we've recognized is that there is a more effective way of achieving all that we can achieve with the existing and adding to it. So you get the benefit of the plan, and you add to that plan the right and the need for the OEB, among others, to have a more nimble ability to interject, inject and strengthen the planning process.

Mr. Peter Tabuns: So do you know when the ministry changed its mind?

Hon. Christopher Bentley: I would say that it's iterative, or it's like many policies. You're always engaged in the policy and always looking for ways to strengthen the approach that you're doing. My approach has never been to sort of sit back and say, "Well, gosh, we've got something here, and this is working well. Therefore, we're never going to look at it and see if it can be improved." We're always looking to see if something can be improved.

The fact that we have a long-term energy plan and an IPSP that would subsequently go on to the Ontario Energy Board for what I would anticipate would be a long review process would mean that we might get the results back years from now. There must be a more nimble way of dealing with some issues that we might

need to consider much sooner than years from now without losing out on or avoiding the ability of the Ontario Energy Board to give that good consumer-based review—a good indication of how it would work better.

So that's really what we're adding to the existing process through this Bill 75: a more nimble ability to make sure that the consumer interest—enormously important—can be specifically directed to specific issues and can be more nimble and received more nimbly because, ultimately, the decisions that we need to make—and you asked me about some decisions the other day around the type of energy we would procure in the future. You would probably want us to take consideration of those issues on a real-time basis. If they happen to come up in the next two years, you'd probably want us to take a look at them in the next two years, maybe with the assistance of the Ontario Energy Board, rather than having to wait, make them without the assistance and move on and wait for that energy board review many, many years down the road.

0950

Mr. Peter Tabuns: Well, Minister—

The Chair (Mr. Michael Prue): You have a minute and a half left.

Mr. Peter Tabuns: I'll give it one last shot. When did you change your mind? When did the instructions to the OPA to take the LTEP and turn it into a power supply plan—when did that stop?

Hon. Christopher Bentley: We haven't; we have taken a planning approach to make sure that there is a solid foundation for the energy decisions in the province of Ontario, starting with the long-term energy plan, which was the result itself of a very extensive public discussion, public consultation. This is a very public document. I suspect the member has referred to it many, many times. Indeed, he did the last time during his question. It's a means of translating that into some of the more specific decisions that would have to be made around procuring different types of energy. There needs to be an approach to do that. The approach right now is one approach. It's a solid approach. One of the challenges with it is that the review by the Ontario Energy Board, which is respected because of its independence, can bring a consumer focus to things, and that review will not be received for what we'd anticipate will be many years.

The nature of society, the nature of the economy—we've seen this over the past several years—would suggest that we would be better served if we introduced a more flexible element into the planning process. That's essentially one of the things that Bill 75 does: adds to the oversight by the Ontario Energy Board; in fact, strengthens it for the benefit of consumers. That's what we see as one of the benefits, just one of the number of benefits, from the Bill 75 approach—as I say, not take away from but add to the independent oversight for consumer interests by the Ontario Energy Board.

The Chair (Mr. Michael Prue): Thank you. We're now on to the Liberals' rotation: 20 minutes. Mr. Moridi.

Mr. Reza Moridi: Thank you, Minister, for appearing before this committee. Minister, as you know, in the history of electricity production and generation in this province, there have been a few milestones, beginning early last century with the building of the Niagara Falls electric utility—the first, actually, publicly owned utility in the world, which happened in this province—by Sir Adam Beck; we all know that; early last century. Then, of course, adding coal-fired plants in the 1950s to our electricity system. Then in the 1970s, as a result of economic growth, we started building nuclear power plants. In 2009, we brought the Green Energy Act, which passed this Legislature. In my view, these are the milestones in the history of electricity generation of this province.

We all know that electricity is very, very crucial to our economy. Sometimes I compare the flow of electricity in power lines as similar to the flow of blood in our veins. If the flow of blood stops, you are dead. If electricity stops flowing in our power lines, our economy is dead. This is a very crucial matter, and of course, you are sitting in the chair of the Minister of Energy, a very, very crucial and important ministry.

I'm going to go back to the Green Energy Act. One of the major elements of that act is the FIT program, feed-in tariff, whereby every individual homeowner, in fact, can produce electricity, become the generator of electricity, and sell that electricity to the OPG. In order to make sure that this program is sustainable, particularly in this uncertain economic time the whole world is facing—it's very crucial for us as a government to make sure that the FIT program is sustainable and it's reviewed continuously to make sure that it is there and it is affordable and also sustainable.

So my question, Minister, is what our government has done to make sure that the FIT program is sustainable.

Mr. Rob Leone: Point of order, Mr. Chair.

The Chair (Mr. Michael Prue): Point of order, Mr. Leone.

Mr. Rob Leone: Since we're talking about energy supply, I'd like to move the following motion:

That the Standing Committee on Estimates—sorry.

The Chair (Mr. Michael Prue): Go ahead. I need to hear it first.

Mr. Rob Leone: —herein “the committee,” under standing order 110(b), stating “each committee shall have power to send for persons, papers and things,” directs the Minister of Energy, as well as the Ministry of Energy and Ontario Power Authority, to produce, within a fortnight, all correspondence in any form, electronic or otherwise, that occurred between September 1, 2010, and December 31, 2011, related to the cancellation of the Oakville power plant.

Mrs. Teresa Piruzza: Come on. That's just silliness.

The Chair (Mr. Michael Prue): Just hold on. This is not a point of order, and Mr. Moridi has the floor. If you want to make this motion, you can do so in rotation. We will be back to you before we break at 10:20, but that's not a point of order.

Back to Mr. Moridi.

Mr. Reza Moridi: Thank you very much, Mr. Chair.

I would appreciate it, Minister, if you could just let us know what your ministry has done in the past to make sure that the FIT program remains strong and viable.

Hon. Christopher Bentley: Thank you very much. I'm going to turn the issue of the review of the Green Energy Act over, in about two seconds, to ADM Sue Lo, who is very much involved in that process, if that's okay.

But just before I do, it was very interesting in the preamble to the question that you referred to the Beck generating station and the fact that it's been in public hands for more than a century and was one of the first publicly owned utilities in the world, if not the first.

Hydroelectric generation and the public ownership of hydroelectric generation through Niagara Falls—the Beck generating station really has been something that the people of the province of Ontario have always been able to count on. They've been able to count on the power and they've been able to count on the fact that that power was in their hands, in the hands of the families of the province of Ontario, through public ownership and, right now, through the public ownership of Ontario Power Generation. I just thought that was an interesting reference.

We seem to have had a consensus for a century that those hydroelectric facilities really should be in the hands of the people of the province of Ontario in a number of different corporate forms, but really in the hands of the people of the province of Ontario—a consensus through all parties in the Legislature.

Just with that, the Green Energy Act is a very well-respected, world-leading piece of legislation. It has enabled us to accomplish a number of different goals. We committed, when we launched that initiative by legislation back in 2009, that it would be reviewed after two years. We said at the very beginning that we'd take a look at it after two years. So, shortly after I became the minister, we launched a review of that act, and one of the people who was involved in that review is Sue Lo. I'm wondering, Sue, whether you'd like to come up and just talk a little bit about the review in answer to the member's question.

Ms. Sue Lo: Thank you, Minister, and thanks for the opportunity to address this group. The two-year review, as the minister said, was planned right from the outset. Right back in 2009 there was a minister's directive that stated that the two-year review would take place. What had happened was that in October 2011, Deputy Minister Fareed Amin was appointed to lead the review, and there was a news release that was issued at the time. What had happened even the month before that was that there were internal consultations already happening with internal ministries—ministries like the Ministry of the Environment, the Ministry of Natural Resources, the Ministry of Economic Development and Innovation, and the Ministry of Tourism, Culture and Sport. These are the ministries that are much involved in the FIT program, and so those ministries were consulted extensively.

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As well, we had also taken the opportunity to consult with our agencies: Hydro One, the OPA, the IESO and the OEB. They were all consulted in the summer and through the fall and the winter when the review took place.

As we were getting ready, there was much extensive media and communications outreach. What had happened was that we posted online eight questions on a webinar and received tremendous response. In terms of the outreach, there were some 2,900 responses that we had received over a six-week period. Some of them were very lengthy responses and other ones were a little bit shorter—but 2,900 responses.

We also held a webinar together with the OPA, and in the webinar there were some 1,700 people who joined online. So we knew there was tremendous interest in this particular program.

There were also face-to-face meetings that were held, and in the face-to-face meetings, there were about 80 stakeholders and individuals who contacted us and wanted to meet with Deputy Amin and our group to talk about the FIT program and what their ideas were in terms of opportunities to enhance, or what they liked or didn't like about the program. As well, we received written submissions and got about 200 written submissions by closing of the review—so all in all, a tremendous response, tremendous interest, huge input.

What we had done as well was we had set up eight working groups to look at some of the things that we thought we could improve upon, because we've had two years' experience with the FIT program. We looked at things like community and aboriginal participation, for instance. That was one of the key objectives of the FIT program, and we wanted to see how we could improve participation in the program. We had participation, but we wanted to boost it even further.

We wanted to look, of course, at pricing and economics in terms of sustainability. We wanted to look at some of the technical concerns and some of the connection issues that we were facing. And we wanted to look at improving land use and siting.

So there was a really extensive consultation process, and much work done by internal working groups. The internal working groups were co-chaired with the OPA. The outward facing consultation was for about a six-week period, and then we internalized and came up with options, recommendations, and took it forward like a normal process.

Mr. Reza Moridi: Thank you, Ms. Lo. Just on the point of the results of this public consultation, which seems to have been very extensive—you've consulted many stakeholders, including government agencies, government ministries, the public and also the vendors, I guess, and came out with a conclusion.

You mentioned a few points in your presentation: One is the community and aboriginal participation in this FIT program; the other one is on the pricing; and the third one is on technical concerns in relation to the FIT program,

and also connection-to-the-grid issues. Could you elaborate a bit about these points? For example, on the pricing, what was the outcome of this review and what are you going to implement?

Ms. Sue Lo: Sure.

Hon. Christopher Bentley: And maybe we could just start by asking about the review results: Were they published? And where are they? You've got a whole bunch of them in your hands.

Ms. Sue Lo: I did bring the FIT review document. I have a few copies. I don't know whether there are enough for everybody, but I can circulate them. Because if I take you through—

Mr. Reza Moridi: We can share.

Ms. Sue Lo: You can share? Okay.

The Chair (Mr. Michael Prue): If I can, at least one copy has to go with the clerk for the committee, if you're distributing them.

Ms. Sue Lo: The question is about pricing, and there's a particular chart within the two-year FIT review document that I can draw your attention to. It's on page 27. There's a chart which shows the pricing schedule that has been arrived at. What you'll see is that all the major categories—the wind and the solar prices—were reviewed, as well as water, biomass and biogas. All of the technologies were reviewed, and what you'll see is that, on average, the solar prices went down by about 20% and the wind prices went down by about 15%. But if you look a little bit more closely at the chart itself, what you'll see is that, depending on the size of the project—so if it were a 10-kilowatt project, for instance—the prices went down even more than that. For instance, there was a 31.5% reduction in solar rooftop, what we call the microFIT, which is 10 kilowatts or less. And in the solar ground mount of 10 kilowatts or less, there was also a 30.7% decrease.

I want to draw your attention particularly to the solar ground mount, because for the 10 kilowatts and less, there were two price decreases that happened in this particular group: one during the two-year review, which was the 30.7% decrease, but there was also one price decrease that took place in the summer of 2010. So in July 2010, prices were already reduced from 80.2 to 64.2, and then again, during the two-year review, to 44.5. So if you take into account both decreases, it was actually in the order of a 44.5% decrease in that tranche of microFIT solar ground mount.

The other prices you'll see—wind, for instance. We only have one price for wind, and it went down from 13.5 cents to 11.5 cents. So that's a 14.8-cent reduction. You'll see that the biomass, biogas and landfill gas prices essentially did not change.

Also in the review, what's very important to mention is that what we said was that prices need to be reviewed annually, so the prices will be reviewed annually. Every November, they will be posted for the next calendar year.

The Chair (Mr. Michael Prue): Ms. Piruzza.

Mrs. Teresa Piruzza: Chair, if I may, just being cognizant of the time that we have, I'd like to pass a motion

indicating the Standing Committee on Estimates will not consider issues relating to the contract between OPA and TransCanada with respect to the construction of a gas plant in Mississauga, or the contract between OPA and Greenfield South Power Corp., until such time as the OPA has resolved all legal issues relating to the contracts between the OPA and TransCanada and Greenfield South, and until all negotiations in respect of the contracts between the OPA and TransCanada and Greenfield corporation have ceased. I just wanted to try to get that motion in while we still had the time, given that we know what the next motion was going to be from the official opposition—being cognizant of time.

The Chair (Mr. Michael Prue): Before we proceed, I think it's only fair that all members have a copy of this. It would probably be required to be translated as well.

Interjection: Not necessarily.

The Chair (Mr. Michael Prue): Not necessarily? All right. Okay. If it doesn't need to be translated, then all members at least would need to have a copy. It would take approximately five minutes to do so. If you wish to do this, this would sort of end your time. There's about five minutes left of government time. Are you cognizant of that, and do you agree to that?

Interjection.

The Chair (Mr. Michael Prue): Okay. Then we'll be recessed to get a copy of this in front of all the members.

The committee recessed from 1011 to 1017.

The Chair (Mr. Michael Prue): This meeting is resumed. I have asked the clerk to see whether or not the motion is in order and to consult with the clerks' department on my behalf, as the Chair. I am not sure that it is in order, but the clerks' department needs additional time to look at it.

Considering the hour, I think it is appropriate at this point that we adjourn till this afternoon. The first order of business this afternoon will be my ruling on this.

Mrs. Teresa Piruzza: Chair, if I can just clarify—I'm sorry—as you're talking about this afternoon, if we're actually sitting this afternoon. I need that clarified. I understand that there's an opposition motion this afternoon with respect to this area, energy. I'm reading from standing order—"Estimates Considered by Standing Committee"—60(e): "No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House."

So I'd like to clarify whether we are indeed actually sitting this afternoon, given the opposition motion that's coming forward this afternoon.

The Chair (Mr. Michael Prue): Again, I'm not sure whether this is impacted. We will ask the clerks, as well. So the committee will meet at approximately 3:45 this afternoon to rule on both of these. It may indeed be a short meeting, or it may be till 6 o'clock.

Mrs. Teresa Piruzza: I understand it's with respect to energy, and that would clearly be related to this meeting.

The Chair (Mr. Michael Prue): That is quite possible. I'm not sure whether the standing order is as broad as that, but we will check that out.

Mr. Tabuns.

Mr. Peter Tabuns: Just a point of information: Ontario Power Authority and TransCanada Energy, with respect to a gas plant in Mississauga—actually TCPL was in Oakville, and it was Greenfield that had the power plant in Mississauga. You've reversed the locations.

Mrs. Teresa Piruzza: Yes, and "gas plan" should be "gas plant." I had just brought that up to the clerk, as well. So we'll clarify that, as well. Thank you.

The Chair (Mr. Michael Prue): I am going to recess at this point till 3:45. I will rule on those two points of order at 3:45, and if the committee then continues—well, it will either continue or recess at that point.

The committee recessed from 1020 to 1558.

The Chair (Mr. Michael Prue): The meeting is called to order.

This morning, prior to the recess, Ms. Piruzza raised a point of order relating to whether or not this committee could sit this afternoon. In making her point of order, she referred to standing order 60(e). I have had an opportunity over the period since the recess until now to consider 60(e) and what exactly was before the House this afternoon.

At first blush, it appeared to me that the NDP opposition day motion was related to a finance matter. However, in reading what the motion actually says, it is quite clear that there is an involvement of the Ontario Energy Board. Therefore, in considering Ms. Piruzza's point of order, it appears to me quite logically now that it is in order, what she is saying, and that it is well-founded.

Standing order 60(e) states, "No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House." In fact, it is the same policy field because of the inclusion of the words relating to the Ontario Energy Board. The item to be debated in the House this afternoon is Ms. Horwath's opposition day motion, and it is, in fact, related to the Ontario Energy Board. Therefore, her point of order is well made and well taken, and therefore there is no other option at this time in order to follow the rules, the standing rules, than to adjourn this meeting until tomorrow at 3:45.

Just before adjourning the meeting, the first item on the meeting tomorrow morning will be the motion that Ms. Piruzza has also filed. I will rule on that at that time. It is not appropriate to rule on it now, in that we cannot sit now. Therefore, I will adjourn the meeting until tomorrow at 3:45. Meeting adjourned.

The committee adjourned at 1600.

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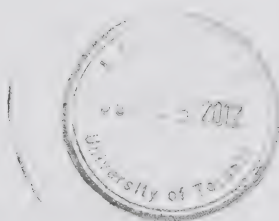
Mercredi 16 mai 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie



Chair: Michael Prue
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 16 May 2012

Mercredi 16 mai 2012

The committee met at 1605 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): Meeting resumed.

Before we get back to estimates and the minister, I have a couple of matters that have to be dealt with first.

First and foremost is a motion made by Teresa Piruzza. I have an amended motion which I need to read into the record. It has been amended from what was stated the last day, following some discussion. The motion will now read, if everyone has it in front of you:

"That the Standing Committee on Estimates will not consider issues relating to:

"(1) The contract between the Ontario Power Authority and TransCanada Energy Ltd. with respect to the construction of a gas plant in Oakville; or

"(2) The contract between the Ontario Power Authority and Greenfield South Power Corp. with respect to the construction of a gas plant in Mississauga

"until such time as the Ontario Power Authority has resolved all legal issues relating to the contracts between the Ontario Power Authority and TransCanada Energy Ltd. and Greenfield South Power Corp. and until all negotiations in respect of the contracts between the Ontario Power Authority and TransCanada Energy Ltd. and Greenfield South Power Corp. have ceased."

The difference is, just so everyone is clear, the Oakville is now in number 1 and Mississauga is now in number 2, okay?

Having read that into the record, I have had an opportunity to look at the motion, as amended, and to seek some clarification from the clerk and from the clerk's department. My first reaction yesterday was that the motion was probably not in order, but I have sought some other counsel from the clerk, and I am prepared at this time to rule on that.

I would rule the motion out of order, the rationale being that standing order 1(b) states that "The purpose of these standing orders is to ensure that proceedings are conducted in a manner that respects the democratic rights of members"—it goes on to list these rights, including "(iii) to hold the government accountable for its policies." The motion is proposing to put a restriction on committee members' right to discuss the policies of the ministry that is before the committee. The discussion on

estimates is traditionally wide-ranging, as long as it relates to the estimates of the ministry in question.

A secondary: The rules of order of the House, Bourinot's Rules of Order from whence they come, even Robert's Rules of Order that are better known to most people, define the role of the Chair. The fundamental role of the Chair is to ensure that the rights of the minority and that indeed of all parties to be heard, to make statements, to move motions, to have their voices heard—

Mrs. Teresa Piruzza: Chair?

The Chair (Mr. Michael Prue): I'll finish the ruling and just—

Mrs. Teresa Piruzza: —I spoke to the clerk earlier.

The Chair (Mr. Michael Prue): It would be incumbent upon me, if I was to do my job right, to ensure that all parties are heard, including the minority, which in this case would be the Conservatives who, if they want to, move theirs. I cannot take the government's or the majority's order to do as has been suggested here.

To put it in another way, should this be a different House where there was a majority government, what would be to stop any majority government in an estimates committee moving such a motion, which would then not allow the minority to ask questions of estimates, which is one of the prime duties that they have? Although we do not find ourselves in that position now, in my view, that would be a very dangerous precedent to set here today.

For those reasons, I would move the motion out of order.

I recognize Ms. Piruzza.

Mrs. Teresa Piruzza: Chair, thank you. In fact, what I was going to say was that I did have a discussion with the clerk prior to this, and she did explain a little bit of the generality of what was going to come out with respect to your ruling on this motion. So I am prepared to withdraw the motion. However, I will stress the commercially sensitive information, but you've already provided your ruling, so.

The Chair (Mr. Michael Prue): Okay. All right.

Mrs. Teresa Piruzza: But that's what I was going to say.

The Chair (Mr. Michael Prue): I thank you, but the ruling has been made and we'll just leave it stand with that.

I understand that the Conservatives have put forward a motion. That was done on the last day—or it was attempted—or is it your intention to present it today?

Mr. Rob Leone: Mr. Chair, thank you for the opportunity. I think, yesterday, you ruled the motion out of order because the timing wasn't right to introduce that motion—

The Chair (Mr. Michael Prue): Yes, that is correct.

Mr. Rob Leone: So I wish to re-move that motion.

The Chair (Mr. Michael Prue): Then I'm going to turn the floor over to you, but I want you to understand: We have 20-minute rotations. If you make this motion within your rotation, there are several things that can happen—and I would be open to the floor, but it would be my initial response that you would be using some or all of your 20 minutes in rotation. I would not allow it to go beyond that because if there is any debate on this motion, and if it takes—then I would be going into the time of the third party and then possibly into the time of the government members as well.

1610

I do realize this may be contentious. If you wish to put it forward at this time, we will allow you to do so. It can be done, as well, without going into the time: If it's going to be very short, I would allow that. But if it's going to take some time, we have a limited period here with the minister.

Mr. Michael Harris: I would just suggest then that we entertain the motion, and if it runs past that allotted time, we transfer it to the end of the meeting.

The Chair (Mr. Michael Prue): Okay, that is a motion that can be made as well.

The floor is now yours. If you want to present this motion, you can present it, and then we'll get into—

Interjection.

The Chair (Mr. Michael Prue): Yes, we're not using at this point the time of the minister. We're going to see how long this takes. If it looks like it's going to take some time, we may have to start using that against your time. Okay? As long as you understand.

Mr. Rob Leone: Thank you, Mr. Chair. I do wish to move the motion, and the motion reads as follows: "that the Standing Committee on Estimates, herein 'the committee,' under standing order 110(b), stating that 'each committee shall have power to send for persons, papers and things,' directs the Minister of Energy as well as the Ministry of Energy and Ontario Power Authority to produce, within a fortnight, all correspondence, in any form, electronic or otherwise, that occurred between September 1, 2010, and December 31, 2011, related to the cancellation of the Oakville power plant as well as all correspondence, in any form, electronic or otherwise, that occurred between August 1, 2011, and December 31, 2011, related to the cancellation of the Mississauga power plant."

The Chair (Mr. Michael Prue): We have a motion then duly before the committee. Is there any debate?

Mrs. Teresa Piruzza: In fact, yes, there is, and I'm not sure if this would be a point of order in terms of if

that motion is in order in terms of bringing that forward. We've been talking about the serious matter that's before this in terms of both Mississauga and Oakville.

It's one thing to ask a question and have the minister suggest that he can't go further, but these are subject to legal proceedings. If passed, it does run the risk of prejudicing the interest of the parties in terms of releasing such confidential information. The purpose of—you were speaking about the sub judice rule earlier today, and that's to ensure the outcomes of legal proceedings are not prejudiced by public statements or any other actions that this committee takes. I am now thinking that that's going to happen with this motion.

If I may, in terms of parliamentary procedure, one of the leading texts on parliamentary procedure, O'Brien and Bosc, in chapter 3, states the following: "It is accepted practice that, in the interests of justice and fair play, certain restrictions should be placed on the freedom of members of Parliament to make reference in the course of debate to matters awaiting judicial decisions and that such matters should not be the subject of motions or questions in the House.... The acceptance of a restriction is a voluntary restraint on the part of the House to protect an accused person or other party to a court action or judicial inquiry from suffering any prejudicial effect from public discussion of the issue."

We know that there are certain legal proceedings, lawsuits and other disputes that are ongoing with respect to both of these plants, Oakville and Mississauga.

There's also a Speaker's ruling from Speaker Peters in 2008 with respect to self-regulation, indicating that self-regulation is essential. "In oral question period, Speakers largely rely upon the ministers to whom questions are addressed to decide if further discussion of the matter might prejudice a matter before a court, or other judicial or quasi-judicial body, or tribunal. And while ministers have every right to decline to answer a question which in their view rubs up against the sub judice convention," members must frame their questions and their motions in the same way with respect to the proceedings that are ongoing.

I mean, we go forward, if we disclose some of this information—this information could be subject to solicitor-client privilege and could compromise the parties' position. Again, it's much and the same: It's one thing to ask questions of the minister to which he can respectfully respond and suggest that he can't go further, but in asking for all these—I mean, to ask for all these documents from September 1, 2010, to December 31, I don't know how you can't say that that would certainly involve some solicitor-client privilege.

Mr. Rob Leone: Can I respond, Chair?

The Chair (Mr. Michael Prue): If it's on the same point of order. A point of order has now been raised. We're not talking about your motion. We're talking about the point of order. So your point of order is that this is in order because. You can respond in that way.

Mr. Rob Leone: Exactly. I think this is an order, again, through standing order 110(b), that "each commit-

tee shall have power to send for persons, papers and things," which, for us, allows us to request documents from any ministry to allow us to do our parliamentary duties. That is, in essence, the tradition of this place.

Opposition members and government members can request any information from the government, any documents. Certainly, this has been a practice in the past. It allows us to perform our function of holding the government to account. We believe in the principle of accountability and transparency in our parliamentary system, and for that reason, Chair, I think this motion is totally in order.

The Chair (Mr. Michael Prue): I had no idea when I agreed to be the Chair of this committee that it would be so contentious so quickly.

I had an opportunity to look at the motion because it was circulated or attempted to be circulated yesterday. I took the liberty of discussing with the clerks' department and with the legal department what might be involved here, in terms of the sub judice rule, in terms of the minister's right to answer or not answer, or to divulge the documents or not divulge the documents.

Notwithstanding the learned position put forward by Ms. Piruzza, there was one point in which she stated that the minister, of course, has every right to decline. I think that that is perhaps the saving grace to allowing this to proceed.

I would have to rule, in my opinion, that this motion is in order, because the committee has the right to ask for documentation, as Mr. Leone has pointed out in his counter-argument. They have the right to ask for the documentation. The minister has the right to decline either giving that documentation or giving voice to that documentation during his answering of the questions.

I further went to the legal department and asked about whether the case is before the courts and things like that, and I'm not sure at this point—and I can be corrected if anybody has this knowledge—but the legal department stated to me that in civil proceedings the rule is said to apply from the time that the action is set down for trial, although some authorities say that it is from when the trial actually begins until judgment, and again from the time that a notice of appeal is filed until there is a decision on the appeal. So I'm not sure that that action has actually begun at this time, which would mean that it would be sub judice under the courts.

Further, I asked about the extent to which the Chair has to determine the status of the judicial proceeding, and was advised that the Chair should not be engaging in a sophisticated information-gathering exercise or legal analysis.

He went on to tell me that the clause should be seen as a procedural counterpart to the legal maxim that the onus is on he or she who alleges, meaning that the party alleging irregularity has to convince the Chair of the merits of his or her case; i.e. that would be Ms. Piruzza.

If there is any doubt in the mind of the Chair about which way to rule, it should be exercised in favour of the privilege of freedom of speech, which would mean the

right of the minority to be heard in this particular incidence.

So this is a difficult one. I would advise that I'm going to allow the motion to proceed, but I would also advise—and I think the minister, being a lawyer himself, knows full well that he may choose to answer the question in such a way as not to prejudice the province in any way, and I would expect him to do so. That would be my ruling.

Questions?

Mr. Reza Moridi: If I may, Chair.

The Chair (Mr. Michael Prue): Yes.

Mr. Reza Moridi: With all due respect, Chair, every member of this committee has the right to ask questions of the minister, but I think the interests of Ontarians is above all our individual rights. In this particular case, the interests of Ontarians are at stake. There are two major projects; both of them are under the judiciary process. I think bringing this motion is going to jeopardize the interests of Ontarians, and I think that is the ultimate and that is superior to the interests of each of us in this room.

1620

The Chair (Mr. Michael Prue): Okay. Mr. Moridi, I've heard you, but I've already ruled that—the question is, it is not clear to me, as the Chair, that the actions have actually commenced in a court of law, which would allow them to be part of the sub judice rule.

I know that there is a threat of a potential lawsuit. I do not know that one has been filed, has been served on the other parties, and that the court proceeding has commenced. That has not been proven, and that is what I have been advised must happen.

Mr. Reza Moridi: My understanding is that they are all in the judicial process, Chair.

The Chair (Mr. Michael Prue): I have ruled, and we have a motion now before us. Mr. Leone, do you wish to debate the motion at this time?

Mr. Rob Leone: Yes, Chair, I would like to debate it.

Mrs. Teresa Piruzza: Chair, I would like to suggest that we recess if we're going to be looking at debating this motion.

The Chair (Mr. Michael Prue): Well, it's subject to a procedural vote. It would have to be a majority of the committee—

Interjection.

The Chair (Mr. Michael Prue): —or agreement, or you definitely have the right for a 20-minute recess, without question, at the time before the vote is taken. So I leave that to you. Do you want to ask the committee for a recess at this time?

Mrs. Teresa Piruzza: I think so. You've ruled in favour of the motion, so I think we need a chance to review it in full, since we're just seeing it for the first time.

The Chair (Mr. Michael Prue): But that is subject to a majority vote. All of those, then, in favour of taking—

Mrs. Teresa Piruzza: I get the right to a vote—I mean to a recess.

The Chair (Mr. Michael Prue): Yes, I know. I was very clear with that, and I've been advised by the clerk. This is a separate—you have an absolute right of a recess before the vote, but you're asking for a recess before you commence debate, which is—

Mrs. Teresa Piruzza: We were just starting debate. He just indicated—

The Chair (Mr. Michael Prue): Yes, I know. So this is separate and apart and requires a vote.

All those in favour of having a recess at this time? Opposed?

Laughter.

Mr. Rob Leone: It's what you signed up for.

The Chair (Mr. Michael Prue): Yes.

Mrs. Teresa Piruzza: We've got to go vote in 22 minutes.

The Chair (Mr. Michael Prue): I am going to say no, because the government party does have the right of a 20-minute recess before the actual vote is taken. I think that would be sufficient time for them to determine what they're going to do. So I'm going to Mr. Leone. Go ahead.

Mr. Rob Leone: Thank you, Mr. Chair. One of the reasons for the motion is, as I previously mentioned, it's our right as members of this House to hold the government to account. We feel that right is essential, and part of that right is to have access to documents that will allow us to do our work in this committee and in the Legislature in total.

I also want to mention as well that Ornge is currently before the Standing Committee on Public Accounts. We know that there is a police investigation on that as well, but it has not hindered in any way the ability of members of that committee to ask questions of the government, particularly to that function. Because of that, I think that the motion is in order and should be pursued.

We also have a research paper from the clerks that, if you haven't seen it or if other members of the committee would like to see it, we're happy to share, which in essence, after going through five different cases, suggests that "Since the authorities suggest that the rule does not apply in circumstances where a bill is being considered, I am of the view that your committee can consider the bills in question. I also feel that there is not a strong case for the committee Chair to exercise his residual discretion in favour of the parties seeking to have the rule invoked." This is the sub judice rule which is part of the debate of what we're talking about here.

So, Chair, I think that this motion needs to move forward. We need to be able to do our work. We've seen a lot of time spent on talking about the Mississauga and Oakville gas plants. In my view, this is simply a stalling tactic on the part of the government. We want to see us have the tools necessary to do our work in committee, and we need the time to do that as well.

I want to reiterate the PC caucus's and the PC members of this committee's position that we would also like to meet in the summer, to get the hours in that we need,

because a lot of time has been taken up in discussing this issue. That's what I'll say on that front.

The Chair (Mr. Michael Prue): All right. You've almost made a second motion. I'm not going to deal with whether we meet in the summer—

Mr. Rob Leone: I'm not going to do it.

The Chair (Mr. Michael Prue): Okay.

Mr. Rob Leone: I'm not moving that yet.

The Chair (Mr. Michael Prue): All right. So your position is that this motion be allowed.

Mr. Rob Leone: True.

The Chair (Mr. Michael Prue): Okay. Other debate? Mr. Moridi.

Mr. Reza Moridi: Mr. Chair, this issue of gas power plants in Oakville and Mississauga—they are before the public accounts committee. I would recommend that we just leave it to the public accounts committee, as I'm a member of that committee, and let that committee deal with this issue rather than us in this committee. I think it's more appropriate for the public accounts committee to deal with this issue rather than the estimates committee.

The Chair (Mr. Michael Prue): Okay. Are you asking me to do anything with this or—

Mr. Reza Moridi: Yes. I'm suggesting that it's better to leave this issue to that committee, the public accounts committee, which is the more appropriate place, the more appropriate committee for dealing with this matter rather than the estimates committee.

The Chair (Mr. Michael Prue): I have already ruled that this matter is properly before the committee. He's made the motion. It's properly before the committee. The committee can determine what it wishes to do with it. Is there any further debate on this motion?

Mrs. Teresa Piruzza: Again—

The Chair (Mr. Michael Prue): Okay. Are we ready to vote because if we are—

Mrs. Teresa Piruzza: Sorry.

The Chair (Mr. Michael Prue): No, no. If there's no more, then I'm going to entertain Ms. Piruzza's request for a recess. If there's no further debate—

Mrs. Teresa Piruzza: I'm sorry; I was going to say something towards the debate. Do I not get that opportunity?

The Chair (Mr. Michael Prue): Then, go ahead. If you want that, please say that and then and we will consider your request.

Mrs. Teresa Piruzza: You were looking on that side, so I wasn't sure if Peter had wanted to say something.

Just further again to this motion: With respect to the rules of debate and the sub judice rule that we're taking a look at or the considerations, you've indicated the application suggests that legal proceedings are only when the trial is set or if it's scheduled for trial, whereas in our application we're suggesting that it's if any legal proceedings are imminent or if it's going towards that direction. So I guess it's a matter of legal opinion and legal research in terms of how that's defined. I still kind of think about that element of that interpretation.

But as well, I say again, what he's attempting to do is to require the minister to disclose information which is subject to solicitor-client privilege and could compromise the parties' positions in the ongoing legal proceedings. I still certainly have an issue with respect to motion and that indication. He's attempting to obtain confidential, highly sensitive financial information which could severely jeopardize the government of Ontario's and the Ontario Power Authority's positions in these proceedings. I don't know that he would want to put the right to take a look at those documents ahead of or before the right of the province, quite frankly, with respect to these proceedings.

Again, I'm going to stress, I cannot support the member's motion. They're highly sensitive documents. They are subject to solicitor-client privilege, and I think, quite frankly, that the motion should be withdrawn.

The Chair (Mr. Michael Prue): Further debate? Mr. Harris.

Mr. Michael Harris: Chair, I'll just reiterate as per this memorandum, May 25, 1990, the last paragraph of that suggesting that "the rule does not apply in circumstances where a bill is being considered." They said they were of the "view that your committee can consider the bills in question." They also felt that "there is not a strong case for the committee Chair to exercise his residual discretion in favour of the parties seeking to have the rule invoked." Therefore, I would ask that you rule in favour of our motion.

The Chair (Mr. Michael Prue): I'm not ruling. I'm listening to debate on the motion. So there's no ruling to be made here. I have already ruled that the motion is in order, and it's just whether you want to vote for it or not. Is there any other debate, whether you want to vote for it or not?

Seeing none, I will recognize Ms. Piruzza because I understand she is seeking an adjournment.

Mrs. Teresa Piruzza: A recess.

The Chair (Mr. Michael Prue): A recess, excuse me, yes.

Mrs. Teresa Piruzza: Yes. At this point, Chair, may we have a 20-minute recess?

The Chair (Mr. Michael Prue): You are entitled to one without question and without vote. Seeing that there is 14 minutes until there is a vote in the House, might I suggest that we take a full half hour to allow both to be done? That would be for you to meet for a period of time, to go to vote and then to come back. Is that sufficient?

Mrs. Teresa Piruzza: Fair. Thank you, Chair.

Mr. Michael Harris: Chair, will we begin our 20-minute rotation once we're back?

The Chair (Mr. Michael Prue): We will then begin the—after the vote. So we will be back at approximately 5 o'clock, following the vote. The meeting is recessed till 5.

The committee recessed from 1630 to 1700.

The Chair (Mr. Michael Prue): Meeting resumed. We are now at the stage where we're going to vote on Mr. Leone's motion. All those in—

Mr. Rob Leone: Recorded vote, sir.

The Chair (Mr. Michael Prue): We have a request for a recorded vote.

Ayes

Harris, Leone, Nicholls, Tabuns.

Nays

Crack, Dhillon, Moridi, Piruzza.

The Chair (Mr. Michael Prue): All right. As the Chair, I am required to follow the dictates of the Legislature. What they say is that on a substantive motion, the Chair must vote against the mover of the motion. However, on a procedural motion, the Chair may use his or her conscience in voting for it.

I deem this to be a procedural motion. Therefore, I have to determine whether or not I should vote for or against the motion, given that it is a tie vote. I am going to cast my vote in the affirmative to allow the motion. I'm doing so because I believe that the committee has every right to investigate and to find out through estimates what is happening in ministries.

I am also mindful that in the House of Commons in Ottawa, on a debate not dissimilar to this, which was contentious, involving the mission in Afghanistan, the opposition voted to look at the Afghan records. The committee at that stage made a determination that they would be seen in private, so that they did not compromise lives or anything else. It is quite conceivable that should this information come to the committee, the committee could make a similar determination—that is, to see it in private if it is going to in any way prejudice a judicial proceeding. Therefore, I am going to cast my vote in the affirmative, and the motion is allowed.

The motion now having been passed, we're going to go to the reason that brought us all here together today. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of 11 hours and 56 minutes remaining, and the floor now is with the official opposition. You have 20 minutes.

Mr. Michael Harris: Thank you, Chair. Minister, deputy, ADMs, thank you for joining us today.

I just want to phrase that in the interests of time we'll be asking questions and we'll ask for brief answers, and if they get lengthy we will interject—just to let you know that will be the case today.

Minister, last week or at last committee, you had said that you found out about the cancelled Mississauga plant by reading it, either in the newspaper or online. In fact, I'll ask the deputy today, is this the same way you found out?

Hon. Christopher Bentley: Well, I think—

Mr. Michael Harris: The question is for the deputy minister.

Hon. Christopher Bentley: I think, to be fair, we have the motion—

Mr. Michael Harris: Chair, I did ask the question of the—

Hon. Christopher Bentley: We have the motion from the member.

The Chair (Mr. Michael Prue): I realize that, but if you're clarifying why the deputy should not answer it, that would be fine.

Hon. Christopher Bentley: We have the motion from the member with respect to the various documentation, and I've spoken about that before.

Mr. Michael Harris: Chair, you've already ruled on this.

The Chair (Mr. Michael Prue): I want to hear him out, please.

Hon. Christopher Bentley: And we'll see where the line of questioning goes. So now I'm going to turn it over to the deputy.

The Chair (Mr. Michael Prue): Okay. The question has been asked of the deputy. If you're able to answer it, please do.

Mr. Serge Imbrogno: Sure. I became deputy on April 2, and on April 2 there were briefing materials that I looked at, and that would be as Deputy Minister, when I became aware of the issue.

Mr. Michael Harris: On April 2?

The Chair (Mr. Michael Prue): Of which year, to be clear?

Mr. Serge Imbrogno: Of this current year.

Mr. Michael Harris: So 2011?

Mr. Serge Imbrogno: Of 2012.

Mrs. Teresa Piruzza: It's 2012.

Mr. Michael Harris: I'm sorry.

Minister, last week when you were asked how your government decided to locate the Mississauga power plant, we obviously didn't get a straight answer. So I'll ask the deputy, what set of criteria did the ministry—

Hon. Christopher Bentley: I always provide straight answers, sir.

Mr. Michael Harris: Okay. In that case, I'll ask—

Hon. Christopher Bentley: You might not have received the answer that you wished, but I always provide straight answers.

Mr. Michael Harris: So I'll ask the deputy, what set of criteria did the ministry use to decide where to locate this plant?

Hon. Christopher Bentley: I think, in fairness, I've answered the question on behalf of the ministry and I've taken a position. We now have a motion from you, from the PC caucus, that has been ruled on by the Chair, which will touch a number of these issues, and—

Mr. Michael Harris: So, Minister, will you be tabling the documents that will outline the criteria of how the location was picked? Will you table those documents?

Hon. Christopher Bentley: As I was saying, we received a motion today that's been ruled on by the Chair, and we'll be taking that motion back.

I spoke before about—are we speaking about Mississauga now? Yes, we're speaking about Mississauga—the decision and when it was made in 2005, the original

contract was made. But as I say, I've spoken to a number of these different questions touching these matters and indicated that there are commercially sensitive issues involved in various discussions that are now the subject of litigation on two sides of the border, Canada and the United States, and that we have a motion from you, your caucus, requesting certain documentation, and we're going to take that motion that was just made today and give it consideration.

Mr. Michael Harris: Once that consideration is over, will you table the criteria, then, the documents that will outline the criteria? Just a simple yes or no.

Hon. Christopher Bentley: Well, as I say, the motion was made, was voted on today, the Chair has made a ruling, and so we're taking that back today.

Mr. Michael Harris: All right. Last week, you actually stated that the government cancelled the Mississauga power plant in response to “building community opposition.” Will you admit that the only reason you cancelled the power plant was to save Liberal MPPs?

Hon. Christopher Bentley: What in fact I was saying the last time is that we were in the midst of an election and the party indicated by press release that if we became the government, it would not be our intention to proceed with a gas plant at that location, but—

Mr. Michael Harris: What basis was that decision made on?

Hon. Christopher Bentley: —but in fact—

Mrs. Teresa Piruzza: Chair, the minister has to finish his answer.

The Chair (Mr. Michael Prue): I've known this minister for a long time. He is very capable of answering this, and I am sure he will get every word in he wants.

Mr. Michael Harris: Again, on what basis was that decision made, what criteria?

The Chair (Mr. Michael Prue): I would just ask everybody to be a little calm here. Give the minister time to finish his sentences.

Hon. Christopher Bentley: I indicated that the party had indicated by release that if it became the government, it was the intention not to proceed with a gas plant at that location but in fact to relocate or have the plant relocated.

Mr. Michael Harris: So this decision was made by the Liberal government, your government, back in 2005, to proceed with construction of the power plant in that particular location, correct? Yes or no.

Hon. Christopher Bentley: As I indicated, I believe the last time or the time before when we addressed this issue—

Mr. Michael Harris: Just a simple yes or no, Chair. Just a simple yes or no.

The Chair (Mr. Michael Prue): I cannot compel the person answering the question to answer yes or no because you ask it. He has to answer the question as he sees fit.

Mr. Michael Harris: Very well.

Hon. Christopher Bentley: I indicated very early on in these estimates proceedings that it was the Ontario Power Authority that was the contracting party, but I also

indicated that those matters are now the subject of some rather significant legal proceedings on both sides of the border, and the interests of the people of Ontario are at stake. We have a motion from the committee that's been ruled on by the Chair, and we're taking that motion back.

Mr. Michael Harris: In 2009 the Premier said he was refusing to listen to the concerns of residents around the construction of the site, saying that he wouldn't tolerate "Nimbyism." What changed in 2011?

Hon. Christopher Bentley: As I recall my earlier answer to some similar questions that were placed to me on the first day of estimates, the decision to issue the release on I believe it was September 24, 2011, was a result of building community opposition. There was a council resolution, which I believe was subsequent. In that decision, I think the nature of the opposition was reflected by the fact that both the PC candidate in that riding, the PC leader and the NDP agreed with the decision very quickly after it was announced, the intention not to locate a gas plant at that location.

Mr. Rob Leone: So, Minister, why did you disagree with the previous decision that your government made on the Mississauga gas plant? Because clearly you made the decision to go ahead with the Mississauga gas plant at that location and you disagreed with that previous decision. So what was the reason?

Hon. Christopher Bentley: You've touched on a number of matters, and, as I have said previously, all of these matters are the subject of lawsuits in which the financial and other interests of the people of Ontario are at risk and are being represented by the OPA—the Ontario Power Authority—the government of Ontario, as well as in various discussions. You've made a motion, the Chair has made a ruling on the motion, and we're taking that motion back and the ruling back.

The Chair (Mr. Michael Prue): I'm going to stop you there because we now have five minutes and 15 seconds until the next vote. We will recess for approximately 10 minutes. Would you please come back as soon as you can following the vote? At that point, there is approximately 11 minutes left on the Conservative time.

This meeting is recessed for about 10 minutes, until following the vote.

The committee recessed from 1712 to 1724.

The Chair (Mr. Michael Prue): I'm going to resume. The Conservatives have the floor; approximately 11 minutes left.

Mr. Rob Leone: Minister, I'm going back to comments you made in a previous session, where you learned about the cancellation of the Mississauga gas plant—in the newspaper was what you were quoted as saying. We want to know whether this decision was a cabinet decision. I think we were trying to pursue questions on that. We don't have clear answers on that. Was this a cabinet decision or was this a decision made by the Liberal campaign team and Don Guy to save Liberal seats?

Hon. Christopher Bentley: Well, thank you very much. I do believe I've answered that and similar questions and I don't believe my answer today would differ

from that. You do have a motion that was ruled on by the Chair and it will speak to a number of the issues which I had indicated are before the courts, where the interests of families in Ontario are being protected by the government and the Ontario Power Authority. So we're going to take the motion that's been ruled on by the Chair back.

As far as the expression of an intention, should the government be re-elected, not to proceed with a gas plant at the Mississauga site but, in fact, as I've indicated subsequently, to relocate it: I'm not sure I can add anything more to what I've indicated.

Mr. Rob Leone: Back to the deputy minister: You mentioned that on April 2 you were briefed on the files that were pertinent to your portfolio. What did those briefing binders say about the Mississauga gas plant, the cancellation and when the deputy minister found out?

Mr. Vic Dhillon: That's confidential information.

Hon. Christopher Bentley: I'm going to step in on that and reiterate what I have said on a number of different occasions. We have a motion today that speaks to documents that's been ruled on by the Chair, so we will take that motion back. All of these issues are subject to lawsuits on both sides. The interests of the people of Ontario are at risk should material be disclosed in a certain way. But we have received a ruling by the Chair and we will take that back.

Mr. Rick Nicholls: A question to the minister once again: Minister, could you please direct us to the page in the estimates binder where the actual cost for the Mississauga power plant is, as well as the cost for moving the power plant out of Mississauga?

Hon. Christopher Bentley: Well, thank you very much, and thank you for referring to the estimates binder. This is the estimates committee, and I do appreciate receiving the first question which specifically asks about a page in the—

Mr. Rick Nicholls: What was the page number, Minister?

Hon. Christopher Bentley:—in the estimates binder.

Mr. Rick Nicholls: Thank you.

Hon. Christopher Bentley: And as I have indicated on a number of occasions publicly and I'm happy to repeat here, the Oakville gas plant is the subject of discussions that are ongoing. They are confidential, very sensitive. The Mississauga plant and its relocation are the subject not only of discussions, but of lawsuits on two sides of the border.

When there is further information to provide with respect to those, and remembering again what the Chair has ruled today on the motion that was before the committee and voted on, I will speak further—

Mr. Rick Nicholls: Respecting that, Minister, can you still identify for us where the cost in that binder is for the building of the Mississauga power plant?

Hon. Christopher Bentley: As I said, there isn't.

Mr. Rick Nicholls: Nothing at all. Well then, Minister, would you please be able to present our estimates committee with the present documents indicating exactly the

costs of ongoing construction at the plant for each day following the announcement of the project cancellation?

Hon. Christopher Bentley: Thank you very much for the question. I believe that the question you asked is encompassed by the motion that was made; maybe it's not. To the extent that it is, and has been ruled on by the Chair, we will of course take that motion back for consideration. To the extent that there is any material that your question addresses that's not otherwise within the motion that was ruled upon by the Chair, which we will be considering, I'll indicate what I've indicated before: There are lawsuits going on both in Ontario and the United States. There are very sensitive commercial discussions. There are documents that are the subject not only of solicitor-client privilege, but litigation privilege generally. The interests of the people of Ontario could be placed at risk should those documents be spoken of, if they in fact exist.

Mr. Rick Nicholls: Thank you, Minister. Okay. Well, we look forward to future discussions on that as a result.

I'd like to quote from the line of questioning based on November 23 from the Hansard, where you stated this: "We're looking at what other jurisdictions do." That was again in relationship to some of these conditions and situations. You talked about additional improvements and strengthening.

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The question I'd like to ask you is this, Minister: Could you cite for us, relative to looking at what other jurisdictions do, what other North American jurisdictions are doing as it pertains to, perhaps, cancelled major energy commitments prior to an election?

Hon. Christopher Bentley: Just before I get into the question, what day were you quoting from the Hansard on?

Mr. Rick Nicholls: November 23, sir.

Hon. Christopher Bentley: Okay. And that was me speaking that you're quoting?

Mr. Rick Nicholls: Yes, sir, it was.

Hon. Christopher Bentley: And it was an answer to a question by?

Mr. Rick Nicholls: By my colleague Vic Fedeli.

Hon. Christopher Bentley: Okay. Thank you very much.

The question again was—I almost thought it was a loaded question, but could you just ask that question again, just so I can answer the right one?

Mr. Rick Nicholls: That's fine. Again, quoting from the same line of questioning from November 23, from our colleague Vic Fedeli, you said this: "We're looking at what other jurisdictions do." Okay? Again, my question is, could you please cite for us the other North American jurisdictions that have cancelled major energy commitments prior to an election?

Hon. Christopher Bentley: Well, thank you very much for the question. I suspect that I was answering a question from the member from Nipissing and speaking to the work that we're doing in an attempt to add to, but-

truss, support an approach to siting or locating major gas facilities.

It's interesting that everybody would like power; everybody needs power; not everybody is quite as enthusiastic about having the power facilities right beside them. What we are attempting to do is find out whether there's an approach that has been used by other jurisdictions that meets with, shall we say, more universal approval.

Mr. Rick Nicholls: Do you know of the other jurisdictions, Minister?

Hon. Christopher Bentley: Well, we're doing a scan of jurisdictions across North America—the ministry is—in an attempt—

Mr. Rick Nicholls: So it's inconclusive right now.

Hon. Christopher Bentley: In an attempt. It's an ongoing review. I will say, at the moment we don't have the magic siting solution. If you're aware of one, I'd really appreciate knowing what that is. In terms of just—

The Chair (Mr. Michael Prue): There are two minutes remaining, sorry.

Mr. Rick Nicholls: That's fair. Minister—

Hon. Christopher Bentley: In terms of just finishing, just in terms of finding a way to locate major power facilities of the size of the ones that we've been speaking about—

Mr. Rick Nicholls: Minister, one final question for you, then. Could you please indicate to us what the community consultation procedures were that were taken, perhaps, in some of these other jurisdictions? And could you tell us which ones you may be adopting to ensure a situation like this doesn't occur again?

Hon. Christopher Bentley: Well, you know, there are, as I understand, quite a range of approaches that have been taken throughout North America. As I say, some have been—there are gas-fired facilities that have been located throughout North America. I'm not aware of an approach that has been applied with universal success, but there are a number of different approaches that one could use to consult with a municipality. There are—

Mr. Rick Nicholls: Could you elaborate, perhaps, Minister, on what consultations you may have utilized in terms of the current situation?

The Chair (Mr. Michael Prue): We're running out—

Hon. Christopher Bentley: There are inevitably a number of hearings associated with siting any major power facility, and those hearings, whether they're environmental or whether they're conducted by the community or otherwise, allow members of the public to provide input about a particular power generating facility. That input can speak to the desire to have the generating facility, to its location, to its proximity toward residences or businesses. It could speak to environmental or safety or a number of different issues. There are many different layers of the type of input and consultation you could proceed with—

Mr. Rick Nicholls: I appreciate that. Was that—

The Chair (Mr. Michael Prue): The time is now concluded. Thank you.

We're on to Mr. Tabuns.

Mr. Peter Tabuns: Good afternoon, Minister.

Hon. Christopher Bentley: Good afternoon.

Mr. Peter Tabuns: Our time is short. I had asked you—

Hon. Christopher Bentley: I thought the Chair just said we had 11-plus hours to go, so I think we've got lots of time.

Mr. Peter Tabuns: I meant today. I had asked you about this document and gave you a copy of it. The relevant page is page 5.

My first question: I asked you yesterday if you'd get me the number—the total value of the fixed asset removal and waste management funds.

Hon. Christopher Bentley: If you don't mind, I might just turn it over to the deputy, who maybe can give us a little bit of context of what these funds are and address your questions, if that would be satisfactory—

Mr. Peter Tabuns: If you can start with the number, that would be great.

Hon. Christopher Bentley: It probably would be helpful to know what exactly the funds are, but—

Mr. Peter Tabuns: I'd still like to know the number first, and then I'll have the—

Hon. Christopher Bentley: I'll refer it over to the deputy, if that's all right.

Mr. Serge Imbrogno: Just a quick context for the Ontario nuclear funds: Back in the day of the old Ontario Hydro, they set aside funds, but they just made an accounting provision. So they never actually put money into real segregated funds.

During the 1999 financial restructuring, there was a decision that OPG and the province would sign what we call the Ontario nuclear funds agreement—

Interruption.

Mr. Peter Tabuns: You've got to turn off one of those mikes.

Interjections.

Mr. Serge Imbrogno: That's better.

Mr. Peter Tabuns: Okay. We're back to normal.

Mr. Serge Imbrogno: There was an agreement signed between OPG and the province, and the agreement required OPG to establish nuclear segregated funds. So they established two funds: a used fuel segregated fund and a decommissioning segregated fund. The agreement also required OPG to make cash contributions into those funds, which they have been doing since that time. The funds are managed jointly between the province and OPG. The funds are set aside, so they're not available for OPG. They are set with a custodian or a trustee. The used fuel fund would pay for used fuel obligations, used fuel bundles and disposal. The decommissioning fund would pay for decommissioning liabilities, including intermediate- and low-level waste. That's kind of the structure that was put in place.

In terms of how much is in the funds: For the decommissioning fund for 2011, there's \$5.342 billion; and in the used fuel fund, there's \$6.556 billion. So the two

funds together, on a fair market value basis, is \$11.898 billion.

Hon. Christopher Bentley: What was the date of that—

Mr. Serge Imbrogno: This is as of December 31, 2011.

Mr. Peter Tabuns: So this line, earnings on nuclear fixed asset removal and nuclear waste management funds—that's the two of those funds put together?

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: And the line further down, nuclear waste management segment, just shows—it's a subset of the line above?

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: Sorry, are you referring to page 5 of the document that you gave me?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: That's the financial and operational highlights?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: Thank you very much..

Mr. Serge Imbrogno: Just to clarify the numbers, the minus \$509 million in terms of the fund earnings and the minus \$668 million—the way that's positioned, it's really a contribution to an expenditure. So those are actually positive earnings.

In terms of just the history—I think you asked for a history of what the earnings would be.

Mr. Peter Tabuns: Yes.

Mr. Serge Imbrogno: I'll start in 2007: The total earnings on the funds was \$481 million. In 2008, it was minus \$93 million. In 2009, it was positive \$683 million. In 2010, it was positive \$668 million. In 2011, it was positive \$509 million. Cumulative over those five years was a total earning of \$2.24 billion.

Mr. Peter Tabuns: That's earnings from investments of those funds?

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: Can you tell us how those funds are invested?

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Mr. Serge Imbrogno: There are a variety of investments. It's almost like a pension fund, where there are long-lived assets and long-lived liabilities. So it's a combination of fixed-income securities diversified between long-term bonds and short-term bonds. There are equity investments in Canada, the US and outside of North America. There's some small amount in real estate and infrastructure. I think those are the main groupings of the funds.

Mr. Peter Tabuns: Okay, so let's go to the nuclear waste management segment. So we lost \$8 million in 2010 and we gained \$194 million in 2011. Is that the way to read that?

Mr. Serge Imbrogno: Sorry, what page?

Mr. Peter Tabuns: Page 5, again, financial and operational highlights.

Hon. Christopher Bentley: Did you say \$8 million?

Mr. Peter Tabuns: Well, if you look at the nuclear waste management segment line, which is under income before interest and income taxes, I see \$194 million, in brackets, for 2011, and \$8 million, without brackets, in 2010.

Mr. Serge Imbrogno: Yes, I need to clarify whether they roll up or not. I'm just—

Hon. Christopher Bentley: I'm sorry, what does "roll up" mean?

Mr. Peter Tabuns: Yes.

Mr. Serge Imbrogno: Whether it rolls up into the \$509 million and \$668 million, or whether it's a separate piece.

Mr. Peter Tabuns: Well, I thought that the nuclear waste management segment was just a division of the larger fund.

Mr. Serge Imbrogno: The nuclear waste management segment is like a component. It could be that there are positives and the other ones, when you roll it up, you get the overall net positive.

Mr. Peter Tabuns: So when I see those brackets in the column 2011, earnings on nuclear fixed asset removal—see that \$509 million in brackets?

Mr. Serge Imbrogno: Yes. That's a positive.

Mr. Peter Tabuns: That's a positive.

Mr. Serge Imbrogno: It's a contribution to a reduction in costs. Unfortunately, it shows up accounting-wise, but it is a positive earning.

Mr. Peter Tabuns: Okay. The funds that we have that you have set aside, this \$11 billion, what is the total liability that you're going to have to match in order—sorry, my question wasn't structured properly. At some point, you won't have to add more funds, and here you will have accumulated enough to deal with all our decommissioning and nuclear waste costs. What is that number? How much do we have to have in the bank to deal with decommissioning and nuclear waste?

Mr. Serge Imbrogno: So OPG puts together an estimate of what they forecast that liability to be. I believe that it's in here. I could look for it. It's in the \$13-billion to \$14-billion range, the total liability.

Mr. Peter Tabuns: Could you give us an undertaking to provide us with that precise number?

Mr. Serge Imbrogno: Absolutely.

Mr. Peter Tabuns: So for—

The Chair (Mr. Michael Prue): I wonder, before you go on to your next question—it's all well and good, but the rest of us don't have that document. We're having a hard time following.

Interjection.

The Chair (Mr. Michael Prue): Well, nobody has raised a point of privilege, which is a perfect point of privilege. I wonder, before you continue, if we might make copies available to the other members of the committee.

Mr. Peter Tabuns: Well, I'm happy to turn it over to the clerk. I think, in fact, you took a copy of this the other day, did you not?

The Clerk of the Committee (Ms. Valerie Quioic Lim): Perhaps the researcher has one, I think.

Mr. Peter Tabuns: I don't have further questions about this document right now, but I'm happy to turn it over for photocopying.

The Chair (Mr. Michael Prue): Okay, then the members of the committee will be given a copy. You're going on to another line. We'll read it at our leisure.

Mr. Peter Tabuns: Can you tell us how many staff and what sort of budget are currently assigned to do planning for decommissioning?

Hon. Christopher Bentley: Sorry, so what staff OPG has assigned—

Mr. Peter Tabuns: OPG or the Ministry of Energy. You have a reactor at Douglas Point that was closed a number of years ago; it's just sitting there. You have some reactors at Pickering that will be closed in 2020, according to your planning. Who is currently working on decommissioning, how many people, and what are their resources? If you don't have it at this moment, if you could give us an undertaking to provide that, I would appreciate it.

Hon. Christopher Bentley: If I could take that question back, I'd appreciate that. I don't have that number off the top.

Mr. Peter Tabuns: How much time do I have left, Mr. Chair?

The Chair (Mr. Michael Prue): Ten minutes.

Mr. Peter Tabuns: Okay. Minister, you are about to start on a range of substantial investments in refurbishment and potentially in new nuclear power plants. Standard and Poor's put out a rating on Ontario Power Generation on April 25, and they gave OPG a rating of A- but said that if it had not been for the commitment of the government of Ontario to support OPG, the stand-alone credit profile would have been rated as a BBB, which is the bottom of the listing before you get into junk bonds. They note that nuclear technology risk is part of the weakness of OPG's credit profile.

Have you assessed the impact of refurbishment and new build on OPG's credit rating?

Hon. Christopher Bentley: Have I personally?

Mr. Peter Tabuns: Not you, Minister; "you" in the collective sense, the royal sense, sir.

Hon. Christopher Bentley: Thank you. Well, OPG, as you know, is a corporation with a chief executive and a board of directors and a lot of expertise in this area born out of the breakup of Ontario Hydro. It deals with the bond-rating agencies; it deals with the issues with respect to borrowing and the other issues relating to the management of its funds.

From its inception, OPG has had nuclear reactors; in fact, there were a number of different sets of nuclear reactors. It still owns the Bruce Power reactors, the assets. They're being run by Bruce Power themselves.

And so I think it would be a fair starting point to the question that you have asked to state that OPG is well aware of the technology that it has. Nuclear power has been a core part of their operations from the beginning,

and they have been managing the issues with respect to the technology and its effect on their credit rating from the beginning. Indeed, OPG was created when Ontario Hydro was broken up. As I understand it—I wasn't there at the time, so those who were there can speak to it, but one of the issues that Ontario Hydro had when it was broken up was a substantial amount of debt, and OPG and the people of Ontario have been managing the debt since then.

Mr. Peter Tabuns: Have your ministry and the government of Ontario, whose credit rating will be affected by the performance of OPG, looked at the impact of these new investments in nuclear generation refurbishment on the credit rating of OPG and thus the credit rating of the province as a whole?

Hon. Christopher Bentley: I should have finished off the answer a little more completely.

When OPG considers a proposal or considers the possibility of refurbishing assets, as they are doing with respect to Darlington, a decision in which we concur, it is part of their responsibility to make sure that they make that consideration by taking a look at the asset, taking a look at the quality of the asset, the Darlington reactors being among the best in the world, and a determination of whether conducting a refurbishment on the asset will in fact be the right thing to do. As you would know from your work, refurbishing the asset effectively doubles its life, getting another 25 to 30 years out of that asset. So they may—

Mr. Peter Tabuns: But you're circling away from the question I've put, Minister—

Hon. Christopher Bentley: I hope not.

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Mr. Peter Tabuns: —and that is, have you looked at this? Has the Ministry of Energy looked at this, to determine whether or not there are credit risks both for OPG and the province of Ontario? Has that been part of your assessment?

Hon. Christopher Bentley: So when OPG makes a decision to propose a refurbishment, they will have considered the effect on their ability to continue to function effectively as a corporation as a very important part of the decision-making process. Obviously their ability to function effectively is tied to their credit rating. They have recommended and made a decision that they should proceed with the refurbishment of Darlington, and that would have been on the appropriate basis that the generation will be a good value for the shareholders of the corporation who happen to be the province of Ontario. So it is the appropriate thing to do in the circumstances, to conduct a refurbishment of Darlington.

You also mentioned Pickering—

Mr. Peter Tabuns: But, Minister, you're still not answering me as to whether or not you have looked at the credit risk for OPG and the province. As you're well aware, we were stuck with close to \$20 billion in stranded debt the last time we went through this exercise.

We have an entity that the province has effectively pledged to keep whole, that has a credit rating that is the

same as Italy, Spain or Ireland. Well, sorry; Standard and Poor's rates those three countries at the same level as OPG on a stand-alone credit profile, so understand the reality of those numbers. In the UK, major companies have backed off building new nuclear because they can't take the hit on their credit profile.

You are committing us to tens of billions of dollars in investment. Have you assessed the impact, the credit risk for OPG and the province with these investments, and if not, why not?

Hon. Christopher Bentley: So the answer is what I have been attempting to say, which is that OPG, as a corporation operated for its shareholders, would constantly be assessing any decision they make in terms of its financial health and financial performance.

I would say respectfully, it is not terribly helpful or fair to make the type of comparisons of jurisdictions which have a number of very challenging issues to a corporation such as OPG, Ontario Power Generation, in the province of Ontario. That's neither helpful nor fair. They have operated for some period of time and contribute funds to the bottom line in the province of Ontario that helps to support health care and education.

So the question you ask is one of a number of issues that the corporation, by its nature, will be considering in terms of whether it determines it appropriate to consider a full-scale refurbishment, such as the one they're doing at Darlington which, as I indicated, are some of the best reactors in the world—the best managed, the most effective ones.

Mr. Peter Tabuns: Are you aware that the profits from OPG go to pay down the stranded debt and don't go to pay for health care and education? Are you aware of that?

Mr. Serge Imbrogno: All the net income of OPG, all the payments in lieu of taxes, all the net income of Hydro One, all the net income of the bills that Hydro One pays, all the payments in lieu of taxes from municipal electric utilities, all that goes into the Ontario Electricity Financial Corp.—

Mr. Peter Tabuns: Correct.

Mr. Serge Imbrogno: —to pay down the stranded debt.

Mr. Peter Tabuns: That's correct. It doesn't go to health, education, etc.

Mr. Serge Imbrogno: Just to finish: but the OEFC is also consolidated on to the province's books, and on that consolidation it's a line-for-line consolidation, so it does impact the province's bottom line as well.

Hon. Christopher Bentley: In fact, it—

The Chair (Mr. Michael Prue): I'm going to stop you right there because the time is now up for the 20 minutes, and Mr. Tabuns has further questions or you further answers. We can wait for the next time.

We have a bit of a dilemma here, and I'm going to leave it with the government. We can start now and you can have five minutes or you can have your whole 20 minutes on the next occasion, which will be May 29 at 9 o'clock. Which would you prefer?

Mrs. Teresa Piruzza: Are you suggesting if we use the five minutes now, then we'll finish up the next time?

The Chair (Mr. Michael Prue): Yes, you'll get 15 minutes the next time.

Mrs. Teresa Piruzza: Let's do that, yes.

The Chair (Mr. Michael Prue): You want five minutes now? Then please proceed.

Mr. Reza Moridi: Thank you, Mr. Chair, and thank you, Minister.

Minister, the Ministry of Energy, as I understand, is a ministry and then you have a number of agencies and crown corporations and other companies which are more or less affiliated with your ministry. Could you give us a picture of what your ministry and its affiliates look like?

Hon. Christopher Bentley: What it looks like?

Mr. Reza Moridi: Your ministry and all of its agencies, affiliates, just to have an idea.

Hon. Christopher Bentley: Well, thank you very much. It's interesting because it's a relatively small ministry in terms of the number of people—slightly over 200, I believe—and a relatively modest estimates briefing book, which is probably why we don't get a lot of questions on the specific line-by-line of the estimates. But we are responsible for energy issues, including major corporations in the province of Ontario such as OPG and Hydro One, and I'll just deal with those two first.

Ontario Power Generation—and you've heard a number of questions about Ontario Power Generation—is one of the corporations established when the old Ontario Hydro was broken up in the late 1990s. It is responsible for generation—generating electricity in the province of Ontario. It does so through a number of nuclear facilities. You've heard about the ones at Darlington, you've heard about the ones at Pickering. It also owns the assets at the Bruce nuclear site; they don't run them, but they own them, and we own them through them because it is publicly owned.

Ontario Power Generation also has hydroelectric facilities throughout the province of Ontario, the most significant of which is at Niagara Falls. Ontario Power Generation has some gas-fired facilities. They have thermal or coal-burning facilities at Atikokan, Thunder Bay, Nanticoke and Lambton, which produce much less electricity than they did some years ago, and they have a number of, I should say, hydroelectric facilities throughout the province of Ontario.

Hydro One, another corporation that was established once Ontario Hydro was broken up, is responsible for two main lines of business. One is the transmission system; in other words, the major arteries that take the power from the generation facilities, such as Niagara Falls, to the local distribution companies, and the local distribution companies take the power down to the specific families and businesses. Those transmission lines are throughout the province of Ontario.

The distribution lines are actually held by about 78 local distribution companies at the moment, one of which happens to be Hydro One, because Hydro One not only is a transmission corporation, it is also a local distribution

corporation, particularly for smaller communities, rural communities, throughout the province of Ontario. It does own, as I recall, Brampton power—I might have the name wrong; I apologize, Vic.

Mr. Victor Fedeli: They just changed the name.

Hon. Christopher Bentley: And so they run that throughout the province of Ontario.

In addition, there are a number of other agencies. We've heard about and will continue to hear about the Ontario Energy Board. That is the independent regulator—when I say “independent,” they are what's known as a quasi-judicial board. They make independent decisions. We, in the Ministry of Energy, are notionally responsible for them, but they make the decisions independently, just as any other semi- or quasi-judicial board does. That function used to be in the old Ontario Hydro when Ontario Hydro was really the main player in the province of Ontario. It was just incorporated in there.

There was also the Ontario Power Authority as another agency that was—we've heard about that from time to time; it was set up to assist in the contracting for new generation, as well as planning, and the IESO, Independent Electricity System Operator, which is there not only for planning purposes, but also to make sure that the system actually runs and the power is getting from where it has to start from to where it needs to go. Where there's too much, it needs to make sure it runs the minute-by-minute market for electricity. Electricity, as you know, flows around the province. It also flows to other provinces and states. It needs to manage it to make sure that if there is not enough, they find it, and if there's too much, they dispatch it.

The Chair (Mr. Michael Prue): I'm going to have to cut you off there. I let you go over a minute because I knew you were in full answer mode.

We are now at 6 o'clock, and the—

Mrs. Teresa Piruzza: Chair, before we adjourn, can I just ask a question, please?

The Chair (Mr. Michael Prue): Surely.

Mrs. Teresa Piruzza: Just with respect to the timing on this particular estimates with energy, at the beginning I think you had said we had about 11 hours and 56 minutes, so I'm just trying to clarify how much time is left. I know there were some bells, and I would think we're down to about—I guess we've used up a couple hours today, but we just want to clarify.

The Chair (Mr. Michael Prue): We used about 45 minutes today.

Mrs. Teresa Piruzza: What is not counted, then?

The Chair (Mr. Michael Prue): We would not have counted that stage when there were procedural and other motions. We would have counted the 20 minutes the Conservatives used, the 20 minutes that Mr. Tabuns used and the five minutes that you used.

Mrs. Teresa Piruzza: And that's what I was wondering about, because you had indicated earlier some time and it sounded like you weren't adding that beginning time and procedural—I mean, with respect to 60(d) and the standing committees, it indicates that 15 hours

shall be set aside. It doesn't suggest that procedural or motions or debate aren't counted towards that 15 hours, so I just wanted to clarify.

The Chair (Mr. Michael Prue): No, it is my understanding—and the clerk can correct me if I'm wrong—that the procedural and other motions have not historically been counted. I suggested if it was going to get into a long debate, as I anticipated it might, we may break new ground by suggesting that we would use some of the time the Conservatives—

Mrs. Teresa Piruzza: I'd like that reviewed, then.

The Chair (Mr. Michael Prue): But that did not happen, that did not transpire.

Mrs. Teresa Piruzza: Okay.

The Chair (Mr. Michael Prue): There was a motion made and a very brief description; there was a counter-argument, a couple of them, that lasted less than five minutes—

Mrs. Teresa Piruzza: Fair enough, Chair, and I know that didn't count towards their 20 minutes of questioning.

The Chair (Mr. Michael Prue): It did not.

Mrs. Teresa Piruzza: But with respect to the whole estimates and the 15 hours, I would suggest that that does go into the 15 hours. I think maybe the clerk needs to—

The Chair (Mr. Michael Prue): I will ask the clerk to research this.

Mrs. Teresa Piruzza: Okay, fair enough.

The Chair (Mr. Michael Prue): It is not my understanding, but if it has counted in the past, I am more than willing to say that it does. But if it has not counted in the past, I would not want to set a new precedent, because in fact the members of the committee have requested 15 hours to ask this minister questions, and I don't want to take away any of those 15 hours unless there is a precedent to do so.

Having said that, we are now adjourned until May 29 at 9 o'clock in the morning. It's some 13 days hence. I hope the minister is in good shape to return at that time.

Interjection: Refreshed.

The Chair (Mr. Michael Prue): Refreshed.

Hon. Christopher Bentley: Absolutely.

The Chair (Mr. Michael Prue): This meeting stands adjourned.

The committee adjourned at 1804.

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Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie



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STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 29 May 2012

Mardi 29 mai 2012

The committee met at 0900 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Michael Prue): The meeting is called to order. There are a couple of rulings and statements that have to be made first before we get to questions.

At the last meeting, Mrs. Piruzza asked about the time used to debate a motion moved by Mr. Leone. As you will recall, the committee dealt with the motion outside of the 15 hours allotted for the consideration of the estimates of the Ministry of Energy.

It is the practice of the committee that substantive motions be dealt with outside of the time allotted for consideration of a ministry's estimates. With the nature of such motions, it is difficult to assign the time used to a specific party or parties. A motion that is moved by one party may be spoken to by committee members from other parties.

These motions may be dealt with before or after consideration of a ministry's estimates in a meeting.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): We will now resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of 11 hours and 11 minutes remaining. When the committee adjourned at the last meeting, the government had 15 minutes left of its 20-minute turn, so it is now the turn of the government. Following that, we will go into rotation at 20 minutes per party.

Over to the government. You have 15 minutes.

Mrs. Teresa Piruzza: Chair, if I could, just to clarify your ruling on that: So your ruling was with respect to substantive motions? Is that the language I use? Sorry; I couldn't hear that first part. Any substantive motions are outside the 15 hours: Is that what you indicated?

The Chair (Mr. Michael Prue): That's correct.

Mrs. Teresa Piruzza: Okay. I just wanted to make sure I heard that correctly.

And the time left is 11 hours, 11 minutes?

The Chair (Mr. Michael Prue): For this minister and this ministry.

Mrs. Teresa Piruzza: Okay, thank you. Thank you for the clarification. I appreciate that.

Mr. Yasir Naqvi: Chair, I'll start the questioning this morning.

Good morning, Minister. Good morning, Deputy.

Hon. Christopher Bentley: Good morning.

Mr. Yasir Naqvi: Very good to see you here today. Thank you very much for your deputation up to this point.

Minister, I wanted to start with asking you questions a little bit about the microFIT program under the Green Energy Act. I have the distinct honour of representing a downtown community, Ottawa Centre, as you know, which is fairly densely populated—a lot of condominiums, a lot of residential homes, quite a few businesses. We've seen tremendous interest in my community for microFIT projects. In fact, it's very interesting to see solar panels just popping up on roofs, literally.

One other area where we have seen quite a bit of interest in the microFIT program, and in solar panels in particular, is in faith communities. So churches, mosques, temples are starting to not only apply for microFIT, but we're also actually seeing panels being installed, which obviously has created a lot of jobs, a lot of opportunities, not to mention the production of solar, clean energy.

I'm continuously being asked by my constituents how to take part in the microFIT program. So the question I have for you, in light of the tremendous success in my community: What is being done from your ministry's point of view, from OPA, to ensure that the program remains strong as we move forward with the FIT review and its implementation?

Hon. Christopher Bentley: Well, thank you very much. It's interesting that you mention an interest not only from residents, from those in condos, from apartment owners, but also faith communities. I was in Mississauga just the other day. I was at a United Church, and they have a green sustainability initiative that is very broad, very wide-ranging. Participating in green energy is one of the planks that they have for their community's green initiative. So they have worked very hard. They've obtained a microFIT contract and they have solar panels up on the roof that are generating electricity. It's not only good for the community; it is very much part of who they are as a faith community.

There are thousands of communities, individuals and residents in Ottawa, in eastern Ontario and throughout the province of Ontario, both in urban and rural communities, who are participating in the green energy

program, in particular in the microFIT. MicroFIT are up to 10 kilowatts: relatively small, but there are thousands. We have, up to this point in time, 15,000 connected or ready to connect to the grid already, so a very broad base of participation by rural and urban members.

That was one of the initiatives of the Green Energy Act, in particular, that people would be able to participate in. You didn't have to be the largest utility. You didn't have to be Ontario Power Generation; you didn't have to be one of the very large international utilities to participate in the generation of electricity. It really has brought it back to the ability of individuals or communities or collectives or co-ops to participate in the generation of electricity: enormously successful. Lots of people want to participate.

So the first question is: When we started the review, did we want that to continue? And the answer very clearly is yes. We want to enable people, both urban and rural, to participate in green energy, participate in cleaning up our environment, participate in the generation of electricity.

The next question is: How, through the review, can we make sure that they are able to participate?

One of the things that we heard during the course of the review—and it was an enormously extensive review—was, “Do whatever you can to simplify the approach, the application process through the Ontario Power Authority and the local distribution company. Do whatever you can to simplify that.” People would rather have an answer early, even if that answer is no, than try and work through a process for many months or longer and not get an answer or get the no at the end of a long period of time. So the first step was to make it as simple as possible.

Then determine very quickly, as early as you can, whether there is the ability of that very good project to connect up. Every community is different—urban, rural; everyone's different—and the ability to actually not only put the project up on a roof, for example, but actually connect it into the grid so you can actually participate and generate electricity differs all around the province. It doesn't instinctively or always mean that an urban community is more difficult to connect in than a rural community. That distinction is not correct, but every community is different. So give people the understanding, the information, very early on as to whether they can connect or not connect so they know whether they should pursue their application.

So streamlining the process; giving them a better knowledge as to whether they can connect or not very early in the process.

Let them know what is expected of them as early as possible—that's what we're doing; work very closely with the local distribution companies—that's what we're doing; let them know what the price is going to be. And, of course, one of the things that we took a look at through this review is what the price should be. We want to encourage people to participate. We also want the return and the price to be fair not only to the participant, not

only to the installers, the manufacturers, but it needs to be reasonable and fair to the ratepayers and taxpayers of the province of Ontario. Through the review, we determined that a price reduction for these projects was appropriate, and that's what we've conducted. At the top end, the price reduction is about 30%, a very substantial reduction, but that was appropriate because the cost of materials has come down substantially.

There are many thousands of applications, lots of people quite anxious to go, and the Ontario Power Authority is now in a position—or soon will be, once the new rules are posted—to be able to assess these applications according to the new rules and the new prices. But as I say—you hit the nail on the head at the beginning—people are very excited about the ability to participate.

Mr. Yasir Naqvi: Yes, absolutely, Minister. I can tell you that even with the review and the reduction in prices, I have not seen interest subsiding, at least on the part of my constituents. I have now posted two information sessions on microFIT, how to apply and the process to go through, with a lot of suppliers, because there are a lot of local jobs that are involved. As well, I participated in a third one.

In fact, I would love to participate, but apparently I don't have the perfect south-facing roof, so I've recently joined a co-op, OREC, Ottawa Renewable Energy Co-op, which is very active in looking for projects within the Ottawa community and who have a very good following, to see how to participate in FIT or microFIT projects.

Let me talk about and get your views on the impact on the economy of the microFIT program. I have seen, as I mentioned earlier, some direct impact in my community in terms of people being employed, companies who are small business operators—local companies, reputable—who have gone from maybe three or four employees, and who existed for a long, long time, since the Green Energy Act have gone to 50-plus employees, almost up to 100 employees, because of the volume of business that they're doing. These are good-paying jobs that are being invested right back in our local economy, in my case in Ottawa.

0910

In your view, how is the microFIT program helping Ontario's clean energy economy—some facts, some statistics, some data that you may have to share with the committee members.

Hon. Christopher Bentley: Thank you very much. You're absolutely right: Our approach to the green energy program in the province of Ontario has been very much not only to encourage the production of green energy, renewable energy, in the province of Ontario, but also to encourage it in a way that supports new jobs, job creation and the local economy. We've done that by requiring that every green energy project in the province have an Ontario content. Parts, labour, materials—a substantial proportion of those have to be produced and made in the province of Ontario. That makes our feed-in tariff program different than in many other jurisdictions around the world. Because of that requirement, we have

30 manufacturing facilities that have either established or are committed to establishing in the province of Ontario. Because of that, a substantial part of the \$27-billion-plus in investment that has already flowed into the province Ontario is committed here because they know they actually have to produce the materials here in the province. Because of that, we've been able to generate—it's over 20,000 jobs, and we're on track to 50,000 jobs through this Green Energy and Economy Act.

Because of that, when you see panels going up on a roof or a ground mount—even the smallest—what you know as soon as you look at it is that a substantial part of those panels has been produced in the province of Ontario—the system on which the panels are installed and the materials of which they're made. That's the same for solar and for wind. You look at a wind turbine: The steel might have come from Algoma in Sault Ste. Marie. The tower might have been constructed at CS Wind, down in Windsor. The blade might have been constructed at Siemens in Tillsonburg. You are seeing a substantial Ontario component, made by Ontario workers, that's part of every one of these projects.

But it doesn't end there, because, of course, producing a blade in Tillsonburg or producing the tower at CS Wind or taking the steel from Algoma—you think of all the workers who are involved in that. Somebody's transporting that steel. When you get the tower, the tower is moving from its location to where it's going to end up. You're having a base. You'll have the engineering and the design study. You've got, of course, the legal work, if I can put that in there. You've got all the related technical and other work. And much of that will be local—either the community or the surrounding area. You've got the people who are involved in constructing the base and preparing the site. You've got the electrical and related companies that are actually installing, whether it's a tower or a solar panel on a roof. Those would be local companies. It might not be all they do. Many of these companies don't just have one client that they work for. Many of them work for a whole range of clients. But if they're not doing that work, they may or may not be able to substitute other work in for it. So it's a very substantial contribution to the income of these companies, which might not look like green energy companies, but they are benefiting very substantially from it—a huge amount of income.

Where does the income go that the electrical company gets for putting up an array or even a single series of panels on a roof, whether it's a condominium, a residence, a faith-based community centre or school—where does that income go? Well, of course, it stays in the community, and so you get the spinoffs from there, because most people—they're earning income and are turning it back into the community—a very, very substantial contribution to the local economy. I think that's a message that we haven't told as often or maybe as well as we could and should. This money is flowing into a community because local community residents wish to participate. It's flowing into a community because those

residents have said, "We want to participate"—you mentioned a co-op—through the solar, wind, or, in some cases, biogas project. It's not just the landowner or the residence owner or the co-operative; it's all of those related businesses locally that are participating. You're generating jobs—full- or part-time jobs—but you're generating income from the community for the community, that stays in the community and helps the community continue to prosper and thrive.

In farming communities, for example, one of the messages that I've heard, whether it's a solar participation on a rooftop, whether it's a ground mount, whether it's some wind turbines—the income from that is helping, in many cases, farms be more sustainable.

The Chair (Mr. Michael Prue): At that, I'm going to have to stop you. The 15 minutes has now expired.

Over to the Conservatives: You have 20 minutes.

Ms. Lisa M. Thompson: Thank you very much. It's a pleasure to be here this morning.

Minister Bentley, I have a variety of questions for you. You touched off this morning speaking about microFIT contracts; that 15,000 microFIT projects have been connected or are ready to connect. I have a question for you, and I want specific numbers, and if you can't answer, maybe your support folks can. How many microFIT contracts have expired since the green energy initiative was started by your company?

Hon. Christopher Bentley: Sorry? How many microFIT contracts—

Ms. Lisa M. Thompson: Have expired.

Hon. Christopher Bentley: Expired in what way?

Ms. Lisa M. Thompson: That their contracts are no longer honoured, even though they've invested their life savings, upwards of \$500,000 in one instance; they've invested a lot of money and built a business plan based on a return of 80 cents a kilowatt, only to be told, "I'm sorry, your microFIT contracts have expired." How many do you have on record in that regard?

Hon. Christopher Bentley: It sounds like you're speaking about a specific case. Does the estimate of \$500,000 relate to a specific—

Ms. Lisa M. Thompson: No, I'm talking generally. That was just one example. How many microFIT contracts have expired?

Hon. Christopher Bentley: That would be a very substantial investment for a microFIT contract. Are you actually talking about microFIT—

Ms. Lisa M. Thompson: I'm talking about microFIT contracts, yes.

Hon. Christopher Bentley: When you say "expired," are these applicants who have invested before they had a contract? Are these applicants who have received a contract under the initial start but found that their contract was going to be constrained? Are these applicants that received a contract and have not connected that contract within the timelines that they were given?

Ms. Lisa M. Thompson: Bingo, right there.

Hon. Christopher Bentley: So the latter?

Ms. Lisa M. Thompson: Yes.

Hon. Christopher Bentley: How long ago would they have been given the contract? The dates are sort of important, given the initiatives that have been taken.

Ms. Lisa M. Thompson: I will take it this way. Do you recall how many letters I've sent to you to date from, specifically, folks from the riding of Huron-Bruce, with issues concerning their microFIT contracts?

Hon. Christopher Bentley: Off the top of my head, no. Again, I think what's important is to make sure that we understand the dates for the specific contracts and whether they were contracts or applications.

For example, under the initial launch of the microFIT program, there was a great rush of interest—many, many people wanted to participate—but it turned out that in a number of parts of the province, even though very substantial efforts were being made by Hydro One to upgrade either wires, poles, capacity, transformer stations—a number of contracts for projects were not going to be able to be connected. They were constrained. And some of those individuals had proceeded along on the basis that they would be connected. So with those constrained projects—and I'll just identify that as a class of project for the moment. There may be others—

Ms. Lisa M. Thompson: How many constrained projects are there?

0920

Hon. Christopher Bentley: There may be others. We'll just grab that number for you.

What the minister did last August was indicate that we would give these constrained projects several options so that they could continue to participate if they wished. Those options included moving the project to another location or moving the contract to another location that was eligible—

Ms. Lisa M. Thompson: Micro or solar gardens etc.?

Hon. Christopher Bentley: —joining up in a co-operative so that they could participate with a number of others that would be aggregated together to participate, deciding they did not wish to participate, or transferring their contract to somebody else so that they could participate indirectly if they wished. So that process is going on at the moment, and there was a previous call in—I believe it was in August of last year—for people to indicate whether they wished to continue. The Ontario Power Authority is putting out another call that, at the moment, I believe lasts till the end of May. I'll just get confirmation on the date. So people can exercise one of these options.

Many will not have invested any money or done anything; others will have. There may be people in different states, but the Ontario Power Authority is determining at the moment which of those wish to participate or relocate or assign or combine or participate in a project that's already being built through other means.

So that's one of the classes potentially of what you were asking me, and we're just going to get the total number of constrained projects.

Ms. Lisa M. Thompson: Very good. That number's going to be important, because there are a number of

constraints specifically who built their business plan upon a return of 80 cents a kilowatt, and, unfortunately, now they're being told, "Your contract has expired, and by all means we're still supporting you. But guess what? You have to reapply at 44 cents a kilowatt," or 50 cents or less. So based on those broken promises, how many lawsuits do you expect?

Hon. Christopher Bentley: The constrained projects that I was speaking of—they have contracts. Their price is protected at the—

Ms. Lisa M. Thompson: At what level?

Hon. Christopher Bentley: At the 80 cents a kilowatt. This is the class of constrained projects that I was speaking of. That's why I asked what types of projects specifically, when was the contract issued and how are they participating? That's important, because the contracting date is important in assessing whether they are affected or not affected by rules or rule changes, or whether they even have a contract.

You see, the constrained projects that I was speaking of had contracts. The minister had issued the directive last August—I believe August 19. Their contract price is protected, and so this whole series of constrained projects—within that class we're working to get how many wish to exercise one of the options, so we don't have a final number just yet, and won't until they make their decision by May 31. But there are a lot of different—with all of these contracts, we're talking about thousands of applications. I think that's—

Ms. Lisa M. Thompson: I'm speaking about contracts specifically.

Hon. Christopher Bentley: Yeah, but—

Ms. Lisa M. Thompson: Expired contracts.

Hon. Christopher Bentley: Well, I want to be very clear, and I take it that you're speaking about expired contracts, because a lot of people, especially in the early stages, were thinking that as soon as they issued or as soon as they made an application, that was suddenly a contract, or it was a completed contract without conditions. Most of them are applications. The ones that are contracts: Many of them have conditions, and some of the conditions involve taking certain steps by certain dates. Those are important conditions, and if people didn't take the steps by the dates, they may lose their right to the contract. I'm not speaking as a lawyer, but it was a contract with certain conditions that are important to the ability of the Ontario Power Authority and the local distribution company to hook up. So if there are some specific issues, I can refer them on to the Ontario Power Authority for their consideration, but I just want to be careful, in giving you an answer, that I am framing the answer for the appropriate set of facts, because the facts are different and they are important.

Ms. Lisa M. Thompson: Based on the appropriate facts, again, how many lawsuits does your ministry anticipate because of broken promises?

Hon. Christopher Bentley: Well, look, we're working in very good faith with all proponents. You're asking me something to speculate on. We work in good faith,

and the history of this program, with the great enthusiasm, has shown that good faith.

Just talking about the constrained projects alone, we're dealing with many, many individuals who would not otherwise have had the ability to participate in the green energy and economy act, the microFIT project. What's happened there is that a lot of steps are being taken by the Ontario Power Authority to make sure they can continue to participate at the original contract price. They're participating today at the original contract price, which shows just one of many instances of substantial good faith.

Ms. Lisa M. Thompson: Interesting. With all due respect, if you were up to date on the letters that I sent upwards of a month ago, you'd have a sense of some of the lawsuits that could be entertained. But we'll move on and talk about jobs right now.

Hon. Christopher Bentley: Just in answer to that, it probably would have been helpful to know that you wished to talk about the letters. We can find the letters, and we can certainly bring them to the next session, which, if memory serves me correctly, is this afternoon, so that we can have a further discussion about some of the specifics of the letters. You will probably appreciate that a lot of the details of the letters will be subject to the purview of the Ontario Power Authority, which is actually managing the day-to-day information about any letters that you have sent. And, as I say, the specifics of the letters do depend on the facts.

Ms. Lisa M. Thompson: Okay. Thank you very much for that.

You mentioned the Ontario Power Authority. Let's segue back to jobs. Specifically, the London Free Press, your home paper, on May 15 quoted you as saying that "the government has been doing it"—referring to your energy policies—"in a way that supports good jobs and good investment." But Silken Canada in Windsor at one point had employed 120 people at their solar plant. As of early May, mid-May, they had laid off 53 workers, and it's not the first solar company that has shut its doors in Ontario. To take it further, Silken Canada in Windsor blames your ministry and OPA for not approving solar projects in a timely manner.

So who's to blame here: your ministry, OPA, Siliken? What has happened to these jobs and, essentially, the business plan for realizing alternative energy through solar?

Hon. Christopher Bentley: Well, in fact, the business plan is very robust and expanding rapidly. This is a very young industry that has gone from virtually nothing just two and a half years ago to one of the leaders in the world today. In any young industry in its early years—it doesn't matter what it is; it doesn't matter if it's the early years of auto, electronics, other types of manufacture, even service industries—you are going to have a huge coming and going of business enterprises.

My concern and sympathy always go out, first and foremost, to the workers and to the families. We would always like to see everybody remain, but in any business,

particularly one dynamic in its early stages, you're going to have many come in. We've got 30-plus manufacturing outfits that have either located or decided they're about to locate in the province of Ontario. Every week I get more interest and inquiry from others in green energy to set up a manufacturing facility of some sort, more international investors interested in investing in the province of Ontario.

There are, quite unfortunately, from time to time going to be those who decide that their best future lies elsewhere. As a party that does not support business supports—and that's been your stated position quite often—you would appreciate that some businesses will come, and, from time to time, others will decide that they need to go elsewhere. That's the movement of a very dynamic market. But over the next couple of years we're going to see more wind, solar and bio projects hooked up in the province of Ontario by Ontario workers with made-in-Ontario parts than ever in our entire history. That's the proof of a very dynamic industry in the province of Ontario.

0930

Ms. Lisa M. Thompson: Going back to Siliken specifically, are they right in assessing blame to the OPA for their demise?

Hon. Christopher Bentley: You know, it's always difficult and challenging when a business decides that it's going to take a business decision like that. As I say, in any line of business there are businesses that come, they expand, they plant, they stay; there are others that make decisions, and they're in a position to make those business decisions.

One of the things we have done through the green energy review is to take a review process, an approvals process, and we want to make sure that we have the strongest environmental protections. We want to make sure that we get good input locally. We want to make sure that all the necessary regulations are being complied with. We want to make sure that the siting is what it should be.

One of the things we've done with this process is to find ways of streamlining it so we can give answers faster. That's one of the goals of this review, and we've been able to accomplish that through a number of these recommendations. The Ontario Power Authority right now is just taking a look at the input they've had from manufacturers, other participants, residents and communities just to finalize the rules. We'll be able to streamline the yes/no process, give people an answer faster. We'll be able to streamline that to make sure we get out faster.

We're going to see a lot more parts, components and panels of all sorts manufactured over the next two years than cumulatively ever in Ontario's history. It is going to be a very robust time in the next couple of years. But I wouldn't want to say for a second that there aren't going to be those outfits that decide their best efforts are elsewhere. We see that in every industry.

Ms. Lisa M. Thompson: Okay. You were speaking specifically about manufacturing here, but let's talk about

the mom-and-pop shops and industry like in northern Ontario. My colleagues from Nipissing and Lambton-Kent-Middlesex have talked about, and even I have experienced in my own riding, the relocation of manufacturing into the United States because of lower operating costs.

I'm sure your ministry is doing a great job tracking and trending. I have a specific question to ask: Because of the high cost of energy that we're now experiencing in Ontario due to your green energy ideals and projects, how many jobs has Ontario lost because of high energy costs?

Hon. Christopher Bentley: Well, you know, energy is an important input component. We've taken quite a number of initiatives in the last several years to make sure that business is competitive. One of the most significant initiatives we have taken, particularly for manufacturers, is the HST. The HST, which your party supported the day before we introduced it and decided not to support when we introduced it, substantially reduces the tax structure for those businesses, gives them a huge competitive advantage, particularly when they seek to export, as so many Ontario businesses do in southwestern Ontario where our home is and in northern Ontario—they export around the world. It gives them a huge competitive advantage.

But it wasn't just the tax structure. The related tax changes include cutting in half the cost of new investment in manufacturing machinery, combining the collection of sales taxes by the two—

Ms. Lisa M. Thompson: Excuse me, Minister—

Hon. Christopher Bentley: I'm answering your question—by the two levels of government, which has saved business half a billion dollars. That was on top of the combination of corporate tax collection three or four years ago, which is also saving.

What have we done specifically in energy costs? You mentioned northern Ontario. We have a northern industrial electricity rate program which cuts the cost of energy in the north substantially by \$20 a megawatt. We have a demand-response initiative for the 150 largest producers in the province of Ontario, which allows them to reduce their overall cost very substantially. We are taking costs out of the system by combining agencies, by looking at Hydro One, OPG.

Most of the cost increase we've seen so far is not as a result of what you allege. It is, in fact, a result of the investment that we needed to make in the poles, the wires, the technology, the new generation. That investment had not been made by the previous government, and that's expensive. Anybody who has done a new build around their house or apartment, or a renovation, knows that building things today is not as cheap as it might have been 20 or 30 years ago. So those costs come onto the system as the lines, the poles and wires are hooked up. They're not real time. You build it up over five or so years. As soon as you're ready to connect, those costs are onto the system. Those are most of the costs that we're incurring. There will be costs in the future as a result of

green energy, but most of them right now are the basic infrastructure and making sure we don't have the brown-outs that we did before.

Ms. Lisa M. Thompson: You don't know how many jobs have been lost, so we'll just leave it at that. I'll turn it over to my colleague from Cambridge.

The Chair (Mr. Michael Prue): I'm sorry; there's less than 20 seconds. We can't start another question.

Mr. Tabuns, on to you.

Mr. Peter Tabuns: Good morning, Minister.

Hon. Christopher Bentley: Good morning.

Mr. Peter Tabuns: Minister, last fall, I think it was September, you announced the feed-in tariff review. On March 22 of this year, you held a media conference—I was there—to announce the results.

Hon. Christopher Bentley: You were. I acknowledged your presence.

Mr. Peter Tabuns: You did, sir.

May 7 was supposed to be the date when everything was relaunched. I was contacted last week and told that the May 7 date hadn't been met. I phoned the OPA hotline and I was told, "We have no idea when it will be launched. No one tells us anything." I'd like to know why the May 7 launch date wasn't met and when it will be met.

Hon. Christopher Bentley: You ask an important question. We launched a very extensive review on October 31. I know we talked about this before. I believe there were 2,900 submissions, there was a webinar with 1,700 participants, there were about 100 meetings, there were about 130 submissions that were too big for the website. We moved very quickly. There were a lot of people with a lot to say. We wanted to make sure that we had the benefit of all of that good advice.

We were there together at Ryerson, in their energy centre, and took a look at some of their very interesting projects in storage and generation and smart grid. It's a great centre. I know—

Mr. Peter Tabuns: You actually could go to the heart of the answer, Minister. I remember too, so go to the heart of the answer.

Hon. Christopher Bentley: It was very good.

As soon as the review was received, I believe within a matter of days—it might have been two days, it might have been three, but it was the same week—I sent a letter to the Ontario Power Authority with the subject of the review, and they drafted up some rules, and those rules were posted for a consultation period.

It would have probably been my hope that at the end of the 30-day consultation period—we did a very short consultation period. You've been around long enough to know that consultations can go on for a considerable period of time and people like to have their say, and I know you would support that. It might have been my hope that as soon as the consultation period was ended, we would quickly post the final rules.

There were a number of submissions received during that period of time. I think, in fairness, some of those

submissions have caused us to take a hard look at them and ask, "Have we got everything right in the rules?"

The heart of the answer you're looking for is: very, very soon. We're making decisions on these as we speak. I want to post the rules and get on with it.

I do say, in fairness, there is no reason for the extra couple of weeks, other than we received some input that has caused us to step back and say, "All right. Should we adjust these things at all? Let's get on with it."

This was a very extensive review. Future reviews I expect to be streamlined, but this was a very extensive one.

0940

Mr. Peter Tabuns: That's fine. You're saying that within the next few weeks we can expect that it would be launched and people will be able to get back to work.

Hon. Christopher Bentley: Yes.

Mr. Peter Tabuns: Why is Ontario's renewable energy target so modest?

Hon. Christopher Bentley: Gosh, you know, when we launched our 10,700 megawatts of renewable energy—and that's quite apart from the additional hydro-electric power we're bringing on—a whole lot of people said, "That's huge. That is a huge amount of generation. You'll never hit it. Not a chance. You've launched this target in the middle of a worldwide recession. No money is going to move anywhere. We'll be talking to you in 2018. Forget it." Well, lo and behold, we're now sitting in 2012; we believe that we're going to hit our target three years early, by 2015. What we've committed to do—of interest to all but I know particularly to you—is take a look at the target in 2013 and determine whether it's the appropriate target.

So I would say—I think I would take issue with you only on this—that it was in fact an extremely ambitious target, given that we did not have a renewable energy industry in the province of Ontario, given that we were determined, as we launched the renewable energy industry in the province, that we didn't just want to import somebody else's work. We actually wanted to set up the industry here: Ontario jobs, Ontario manufacture, Ontario parts, Ontario components as well as Ontario installers, developers, planners and engineers.

So I think it's enormously ambitious, those \$27-plus billion worth committed. It has given us the ability to bring that completed target forward to 2015, and so we're going to take a look at it in 2013.

At the end of the day, we have to make sure that what we're doing is in the best interests of Ontario families and businesses. That's what we always do, and that's what we'll continue to do as we take another look at it.

Mr. Peter Tabuns: Minister, could you please provide this committee with the backup analysis that led to the target and the timeline?

Hon. Christopher Bentley: We'll take a look at that, and I'll come back and address that.

Mr. Peter Tabuns: Okay. The government has set that target—

Hon. Christopher Bentley: Just to add: That's the target in the long-term energy plan.

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: So I think a substantial part of my answer is probably—and you were here when that was being discussed, debated. I would be surprised, although I haven't checked Hansard, if you hadn't asked one or two or three questions about that in the House.

Mr. Peter Tabuns: Quite likely.

Hon. Christopher Bentley: I suspect at least three, and maybe more. There were public consultations, as I recall. Once the plan was launched, there were a lot of comments on it. It has been a very public document for the past couple of years. So I suspect that most of my answer will involve the very public discussions, the numerous reports. At the break, I'll make an inquiry to see if there's some additional information that we can provide to you.

Mr. Peter Tabuns: It would be useful to have the analysis upon which you based the target for the total number of megawatts and the timeline for installation.

Has the ministry assessed the economic impact on Ontario of the halting of further green energy investment—I assume by 2015—and can you provide us with that analysis?

Hon. Christopher Bentley: Well, I think there's no analysis with respect to that because there's no halting. What we have in the province of Ontario is the ability, through the green energy and economy act, to participate in a feed-in tariff program; everybody is entitled to participate, eligible for the feed-in tariff project. We have transparent guidelines, requirements.

What we have done, through that feed-in tariff program, is set a number of megawatts that we wish to achieve: 10,700 by 2018. Now we're going to hit that in 2015. What we're going to do in 2013 is decide where we should go in the province of Ontario with the feed-in tariff program, with that ability to participate in green energy.

I don't ever want anyone to think that they can't put panels on their roof and participate in the project themselves outside the feed-in tariff project, okay?

We're going to take a look at that. I think we have to assess that in terms of needs, in terms of the appropriate mix of energy in the province of Ontario, in terms of, obviously, its economic benefit, but one of the things that you'll remember—I don't believe you were in London when Minister Duguid and I launched the export strategy for the province of Ontario. One of the things that we're already seeing from our manufacturers is that they're not only producing for the province of Ontario but they're looking to export. CS Wind, I mentioned, in Windsor, exported a series of towers to the States. Canadian Solar—I believe there might even be an article today that you might ask me about in question period—indicated that they're producing panels here in the province of Ontario and they're exporting to Germany, of all places. Of all places, Germany, one of the largest solar producers in the world, is getting panels manufactured in Ontario

by Canadian Solar in Guelph. So, go figure. When people tell me that we can't feed the world from manufacturing facilities right here in the province of Ontario—here, as I recall the article, we're manufacturing, in the province of Ontario, in a plant that didn't exist too many years ago, with Ontario workers, Ontario parts, Ontario technology, Ontario innovation, and where are we selling this stuff? We're selling it back to the place that's the number one solar place in the world, and that's Germany. I believe it's a place called Hesse, but I'm not necessarily—

Mr. Peter Tabuns: So, Minister, I'm going to go back then—

Hon. Christopher Bentley: My point was, it's very robust.

Mr. Peter Tabuns: I've listened to your arguments on other technological investment. If we stop purchasing in 2015, if you fulfill your targets, those manufacturers (a) will have lost the domestic market, and (b) will be in a position—and you've cited this with other technologies: If we don't buy it ourselves, why would anyone else buy it? I would say, if we stop buying, in quantity, renewable energy technologies, it will affect the credibility of our export marketing. So I want to know: Have you done an analysis of the economic impact of topping out the targets on the feed-in tariff program in 2015?

Hon. Christopher Bentley: No, not to my knowledge. Nobody said we're stopping; nobody said we're continuing. What we've said is, we're going to hit the target we had in 2018 three years early, in 2015. When it comes around to 2013, we're going to start taking a look. I'm sure the issues that you have raised will be among the issues that we want to take a look at in 2013. We want to make sure that families and businesses in the province of Ontario are in the position that we all want them to be in. We want reliable energy. We want affordable energy. We want a good, strong economy in the province of Ontario, and we want jobs. So we'll be taking a look in 2013, two years before we hit the target, as to where we should go with the target. I suspect there will be many, many developments in the industry between now and then. I suspect that the international competitiveness—we won't just be seeing Canadian Solar exporting; we'll be seeing many others export. I expect that we're going to see other developments, whether they be storage, whether they be smart-grid developments, whether they be others, that will be greatly beneficial. I'm sure that all of those will feed in to the conversation.

Remember: That's a target in 2015. I'm in 2012. I'm working as hard as I can right now to get the contracts that have been allocated, to make sure that those that should be are through the approval process. As I say, over the next two years we're going to see more solar, wind and bio projects hooked up in Ontario—with made-in-Ontario parts, by Ontario workers—than cumulatively ever in the history of this province. That's a pretty strong statement of that robust and vibrant industry.

Mr. Peter Tabuns: So you see no threat to our domestic industry in coming to the end of those targets, and you've done no analysis to show what the economic

impact will be when we've hit and completed those targets? Is that correct?

Hon. Christopher Bentley: In fact, we're quite robust and optimistic about not only the green energy economy in the province of Ontario, as this Canadian Solar article would indicate, but the clean technology economy in the province of Ontario as well. As you know, clean technology, which is not just wind, solar and bio projects but the related technology around energy, but also beyond that, whether it's water—we've got a couple of great outfits in the city of London, Purifics and Trojan, and other outfits in other parts of the province.

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We participate in clean technology substantially in the province of Ontario. That market is going to be a trillion-plus by 2020, and so we believe we can grab a substantial part of it. I see those as jobs of the future. So we're not planning for the end of it; we're planning for a robust continuation of a strong economy in the province of Ontario, and we're going to contract the type of power and the amount of power in the way and at the price that works for families and businesses in the province of Ontario. Our obligation, our number one obligation, our first and last obligation, is always the families and businesses in the province of Ontario, and that's what we're going to do. Part of that are the great opportunities, economic opportunities, that these green energy manufacturers and related workers provide for families, communities and businesses in the province of Ontario. It's a very exciting time, so I look forward to a lot more work in that area.

Mr. Peter Tabuns: Thank you, Minister.

How much time do I have left?

The Chair (Mr. Michael Prue): Five minutes.

Mr. Peter Tabuns: When we were talking last week, I asked you about the potential impact of nuclear investment on the credit rating for the province of Ontario, and if I understand it, your ministry has not done an assessment and your government has not done an assessment of the nuclear risk to Ontario's credit rating; you've left the matter of assessing risk to OPG. Is that correct?

Hon. Christopher Bentley: Well, OPG is the corporation where the province of Ontario is the shareholder, and it's their job to make sure that they manage their corporate issues and enterprises in the appropriate fashion. As I recall part of the answer given last week, they are a public company. They file public reports, and those public reports are there for analysis, and they do a business case analysis all the time on the different projects that they're involved in, some of which involve either refurbishing or, they hope, new build in nuclear. That's what they do as part of the business enterprise, all the time.

Mr. Peter Tabuns: So are you aware that in 2009, Moody's Investor Service downgraded the debt rating for the province of New Brunswick, in part because of the risk with the Point Lepreau refurbishment? Do you not take into account the risk to Ontario's credit when you review and approve these nuclear projects?

Hon. Christopher Bentley: Thank you for the question, and it's a serious question; it's an important question. I'll tell you, I wasn't aware that Moody's had adjusted the credit rating of New Brunswick—

Mr. Peter Tabuns: Downgraded. That's the word they use.

Hon. Christopher Bentley: I wasn't aware that they had downgraded. I wouldn't necessarily be aware that they'd upgrade or do anything else with the credit rating of New Brunswick. I'm concerned very much with issues here in the province of Ontario.

It's interesting that you mention Point Lepreau, because I know that that is a project that New Brunswick Power has been working on for many years. It had encountered some challenges, probably related to—although I have not seen any of the filings or the public commentary or the commentary of Moody's or other credit rating agencies—probably related to, as you say in your question, the refurbishment of Point Lepreau. But it is interesting that when Point Lepreau was having some challenges, they reached out, and who did they reach out to? They reached out to Ontario Power Generation. And what did they ask? They asked that Ontario Power Generation go to Point Lepreau and see if they could be of assistance, and Ontario Power Generation, in fact, has been of substantial assistance, has been able to get that project—I'll use the wrong term; sorry for anybody out there listening if I am—on track, and get it delivered within acceptable and appropriate parameters. I know that New Brunswick Power has been very supportive and very thankful for the expertise and the knowledge that was provided by the technical experts at OPG. In fact, as you would know, we have some of the best in the world here.

Mr. Peter Tabuns: Were those same experts made available to Bruce energy when it went dramatically over budget in its refurbishment of Bruce?

Hon. Christopher Bentley: I think you make an important point. Bruce Power, of course, is a separate corporation.

Mr. Peter Tabuns: I understand entirely. But they'd have even greater access to OPG expertise.

Hon. Christopher Bentley: I think you make an important point: that a number of projects around the world—and I'd like to say it's just specific to nuclear, but a lot of large projects, construction-related around the world, Canada, Ontario, North America, start out and, later on, they're going to cost more or they're going to take more time. This seems to be a not unnatural characteristic of very large construction projects.

You and I might focus specifically on nuclear refurbishment. You can look around the world at different construction projects, and you can sort of step back and ask yourself, "What happened there?" So I stepped back when I started as Minister of Energy and said, "All right. We've got a number of refurbishments we've done in Ontario." In the Bruce Power one, we worked very hard to make sure that ratepayers and taxpayers were protected, that the risk was substantially borne by Bruce Power, but whoever bears the risk, what can we do with

any future contracts that these corporations wish to enter into that will make sure that were closer to on-time and on-budget than we've ever been or anybody else has been before?

Mr. Peter Tabuns: Well, that's an interesting point that you make—

The Chair (Mr. Michael Prue): Right there, I have to cut you off. That's the end of the 20 minutes.

Mr. Peter Tabuns: So much more to ask.

Hon. Christopher Bentley: And so much more to say.

The Chair (Mr. Michael Prue): It is now the government's turn.

Mr. Yasir Naqvi: Thank you very much, Chair. Thank you, Minister. I don't know if you need a glass of water or not. You've been talking non-stop for the last little bit—

Mr. Peter Tabuns: Yeah, we noticed.

Mr. Yasir Naqvi: Just at the humanistic level, I think it's—

Hon. Christopher Bentley: Wait a minute. Is this the friendly part?

Mr. Yasir Naqvi: I just want to give you a break. It's not easy to just be at it.

Hon. Christopher Bentley: Thank you.

Mr. Yasir Naqvi: I want to go back to—we were talking about microFIT earlier. I want to continue with the conversation around FIT and particularly FIT review when—I think it was either in response to Mr. Tabuns's question or Ms. Thompson's question—you were talking about the extent of the FIT review that was undertaken and you said that it was an expensive review. It was quite broad in scope, a lot of consultation was done, and it was important, given that it was the first review after the enactment of the Green Energy Act and the launch of the FIT program back in 2009.

I was hoping you could outline to the members of the committee: What was the review? What steps did you take in the review? Particularly what I'd like to hear from you is: Who did you hear from? What types of groups, people, organizations did you reach out to or reached out to you in terms of their point of view on the Green Energy Act and the FIT program as it existed before FIT 2.0?

Hon. Christopher Bentley: Thank you very much. You know what? I'm going to pass that to the deputy.

Mr. Serge Imbrogno: And I'm going to ask ADM Sue Lo to come up. She led the review, along with Deputy Amin.

Mr. Yasir Naqvi: Okay.

Ms. Sue Lo: Thank you for the question. In terms of conducting the FIT review, the ministry of course had launched the review on October 31 of last year. The first six weeks of the review entailed extensive consultations with stakeholders who wanted to come forward and meet with us.

For instance, you asked about the types of groups that came forward, the stakeholders that came forward. There were certainly individuals: farmers; there were small businesses. There were industry associations as well, like

AMO, CanWEA, CanSIA, APPRO. There were also not-for-profit entities that came forward, and community groups and co-ops as well. There were individual LDCs that came forward. Of course there were government ministries and agencies who also came forward and had something to say.

There were other groups, like the consumer protection groups, who had something to say. The Power Workers' Union was another entity that came forward.

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In total, what had happened was that we received online—I think I said this previously—2,900 Internet responses, through the Web, through eight questions that we had posted. In addition, in the first six weeks of the review, we took some 80 face-to-face meetings with interested groups. All interested groups who requested a meeting were afforded the opportunity and did come to meet with us. As well, some industry associations met with us multiple times. For instance, CanSIA, CanWEA and AMO met with us multiple times.

We received more than 200 submissions. We set up in the order of six internal working groups, together with the OPA—some of them, of course, co-chaired with the OPA—and had extensive input from agencies like Hydro One and the OEB, for example. The working groups had to do with things like, "How do we improve community and aboriginal participation? What other technologies should we be looking at and establishing a feed-in tariff rate for?" We wanted, of course, to sustain the clean and green manufacturing industry.

Land use and siting was one of the other key things that we looked at because we wanted to improve land use siting and municipal receptivity of projects. Working with municipalities was another area we took a good look at. Pricing, of course, was one of the things that I spoke about last time. More technical issues involved areas like the connection issues and technical issues with the grid.

All in all, it was solid working groups from the beginning until we launched the results of the review in April.

Mr. Yasir Naqvi: I'm trying to get a sense beyond these conversations. You said that with some groups, you had multiple conversations—what kind of process you undertook. I mean, are there any precedents that you followed from other jurisdictions? The kind of review you did, Minister: Was that a unique thing, when you look at the global renewable energy market, or you had something to rely on?

Hon. Christopher Bentley: That's a good question. There are feed-in tariff approaches in countries throughout the world, and a number of these jurisdictions have been involved quite extensively for many years and had a great deal of experience for many years around the world. From my perspective, I'm obviously interested in what is going on in different countries around the world. I'm obviously interested in their experience: What have they done that works? What have they done that doesn't work? One of the features of ours is a requirement that a substantial part of the projects be made in Ontario—

made-in-Ontario parts. So there is a distinguishing feature there.

I believe most other jurisdictions accomplish the same end. They just might have different means. It wasn't long ago that the then president of France was talking about giving preference to European Union parts, components and manufacturers in their renewable energy industry, an intention to do that.

I just thought maybe I would tag on to what Sue Lo was talking about before and ask if you'd pick up and maybe give an indication of whether we actually looked through the review—the experience of other jurisdictions and provide some of that information in answer to the question.

Ms. Sue Lo: Sure. Thanks for the question. When we did the FIT review, we looked of course at all the jurisdictions, and there are some 88 jurisdictions around the world that have FIT programs. In the various jurisdictions around the world, some of them started their FIT programs years ago.

So we took a careful look at many jurisdictions and learned from them. There are some best-performing jurisdictions in terms of FIT programs, and there were some jurisdictions that didn't do so well, and we also learned from those.

For instance, people know that Germany is a leading FIT jurisdiction. They started their FIT programs way back in 1991. That's more than 20 years ago. So they have among the most stable FIT programs in the world and some of the most aggressive renewable energy targets in the world.

All FIT programs have some features in common. Really, FIT programs are programs that are based on project costs and a reasonable rate of return. Over time, usually the input costs become lower, as in the case of solar. Solar modules, for instance, have come down in price, and that has afforded us the opportunity to lower prices.

The minister talked about domestic content, for instance. A unique feature in the way we do it in Ontario is requiring a 60% made-in-Ontario domestic content requirement for all of Ontario's solar projects. For wind, the domestic content requirement is 50%. Other jurisdictions around the world don't exactly do it in the same way. For instance, Italy has a feature where they will place a premium on the order of 10% on EU-made solar components. That's the way they do it, and France was talking about doing the same thing.

We looked at Germany, a very stable jurisdiction; we looked at the UK; we looked at France; we looked at Italy. France, interestingly enough, tried to have a renewables program through a competitive program and it didn't work. So they gave up on that and then switched over to a feed-in tariff—a wind tariff in 2001 and solar in 2006. Italy has been doing their feed-in tariff program since 2005.

One of the Canadian jurisdictions that does a feed-in tariff is Nova Scotia. They launched theirs at the beginning of the year, so they're fairly new in the area. We

talked extensively to them to see how they do it. One of the very interesting features they've built in is something that's similar to ours in terms of promoting community participation in projects. That's what Germany has been doing too. Many projects have strong community equity participation, and that works very well. That's one of the learning lessons.

Mr. Yasir Naqvi: I learned something new today: There are 88 jurisdictions around the world that have feed-in tariff programs.

Ms. Sue Lo: Eighty-eight jurisdictions going strong.

Mr. Yasir Naqvi: Wow. That's incredible. I did not know that.

I've read the report you're just going through right now, Minister, and one of the things—

Hon. Christopher Bentley: Page 12 has a number of those jurisdictions, actually.

Mr. Yasir Naqvi: Okay. Maybe I forgot, because I've gone through the report—

Hon. Christopher Bentley: Just as a reminder.

Mr. Yasir Naqvi: Maybe I focused too much on what I'm going to ask you about, because it's something, again, that's important to my community, and that's the point system you outlined. I had to sort of learn about it and make sure I'm able to answer questions from my constituents.

I'd like to sort of get your views on the point system, the reason behind the point system and how the point system would work. In the end, Minister, my particular interest is, could you or the deputy or the ADM address how the point system is going to ensure that more municipal and community projects move forward?

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Hon. Christopher Bentley: You ask a very important question. We conducted this very extensive review, of which Sue was a very able leader, along with Deputy Minister Fareed Amin and a team. A number of the things that they heard, and I'll turn it over to Sue in a minute or two, was that community participation, community support, was enormously important. Community support was important in determining where these projects went. Community support and participation was important to make sure that the people in a community had the ability to participate—not just supportive, but financially in projects. This was one of the original hopes of the feed-in tariff approach, that there would be substantial community participation.

I think in your first question today you were asking about co-operatives, co-ops. Lots of co-ops really wanted to be able to participate. Of course, it takes a lot longer to get a whole group of people together so that they understand what's involved, so that they can agree on a governance structure and so they can understand what their obligations are, what the co-operative's obligations are. These projects naturally take a long period of time to get going.

So the message that we heard both in terms of siting the projects and about which ones should receive approval was broad-based participation. And that's on top

of the fact that there's already participation, because you need the landowner or the property owner to participate by giving approval. So when you see wind projects in rural Ontario, those landowners are participating. Solar projects: Those landowners are participating very substantially and benefiting very directly. So we heard that as a message.

We also heard that municipalities wanted to be able to express their view. The Legislature rejected a view that said that every municipality in the province of Ontario would be able to decide for itself, because then you'd have 440-odd different rules. The Legislature rejected that back in December. But what we came up with was this idea—the review team came up with this idea that if there was municipal support for a project, you could use a points system to give that project some priority. We also heard that if you had broad-based participation through a co-op or a community, you could give that type of project priority through a points system.

So we have this points system out there, and we're doing the consultation through the Ontario Power Authority right now, and that's one of the issues that people are commenting on. We have a points system out there that will ensure—it won't absolutely guarantee, but will ensure—that projects where there is community participation and community support are more likely to go to those communities. That, for me, has a very good, intuitive attractiveness about it.

I'm wondering if I could turn it over to Sue and just ask Sue—there are a couple of different levels of community participation, so maybe you can just speak to some of the different details with respect to that.

Ms. Sue Lo: Sure. In the points system that's been developed, the maximum number of points that one could get for a project is 10. When the project originates from a community with people who actually live in that municipality who will own equity in that project, that's worth the most points. That's worth three points. It's the same with a project where an aboriginal community has equity share in that project; that's worth three points.

Next, what happens is that for public schools, colleges, universities, hospitals and long-term-care facilities where there's a minimum of at least 15% equity or they're the host, that's worth two points.

So what this will drive is partnerships with communities where people actually live in that municipality. What it will also drive is fantastic projects where, for instance, you'll see rooftop solar built on schools, where there's also learning for the kids in terms of energy use and conserving energy; and hospitals, where hospitals will have solar roofs and long-term-care facilities will have solar roofs.

The other part is that where there's a municipal council resolution or aboriginal community support in terms of a resolution, there are two points applicable—so the municipality gets to have a say in terms of supporting a project and helping to propel it forward—and points in terms of project readiness, in terms of whether the land issues have been sorted out for the long term, and the

systems benefit in terms of water and bioenergy. This will help drive joint ventures and partnerships, and perhaps some projects will come forward in the form of co-operatives that represent 100% community ownership. That's also one of the learnings, actually, from Germany, that does really well with community projects.

Mr. Yasir Naqvi: Very interesting. Chair, how much time have I got?

The Chair (Mr. Michael Prue): There's about half a minute.

Mr. Yasir Naqvi: Half a minute. I will cede my half a minute.

The Chair (Mr. Michael Prue): Okay. I think, then, that's appropriate. I don't think it's opportune to start the next one because there's so little time left.

Before I recess for this afternoon at approximately 3:45, one thing I want to draw to the minister and the ministry's attention is that a motion was made by Mr. Leone on May 16, asking for production of materials within a fortnight. My understanding is, that will be tomorrow. Just so that the ministry is aware, that was the motion passed by the committee.

All right. That being the case, we will recess until approximately 3:45 this afternoon. This committee stands recessed.

The committee recessed from 1017 to 1548.

The Chair (Mr. Michael Prue): Meeting resumed. We are now resuming consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of nine hours and 56 minutes remaining. When the committee recessed this morning, all three parties had completed another round of questioning. We will now start a new round, with 20 minutes allocated to each party, starting with the official opposition.

Mr. Leone, I understand that you have the questions. The floor is yours for the next 20 minutes.

Mr. Rob Leone: Mr. Nicholls?

Mr. Rick Nicholls: Thank you very much, Mr. Chair.

Interjection.

Mr. Rick Nicholls: We deferred. That's fine.

Minister, I have a couple of questions for you here. First of all, I wonder if you could clarify for us. We hear a lot about green jobs. I wonder if you could define for us, perhaps in 25 words or less, the definition of a green job, if that would be possible.

Hon. Christopher Bentley: Thanks very much. You're quite right: I've used it in a number of different contexts. I think in the morning session I spoke of the opportunities for green technology and the related green jobs in a worldwide market—maybe that's where your question was starting—and I spoke of the trillion-dollar market by 2020. Those would be jobs related in part to renewable energy, in part to energy issues generally, in part to the technology that relates to those, but also, as I think I mentioned this morning, related to the green technology for water and other initiatives like that. So there's a very large market.

The 20,000 jobs that I referred to, on the road to 50,000 jobs, are related to our getting out of coal and our

clean, green initiatives through the green energy and economy act and related initiatives. For example, when a wind farm or a solar establishment is set up, there would be jobs related to the manufacture of either the turbines or the panels.

Mr. Rick Nicholls: Yes, okay.

Hon. Christopher Bentley: There would be jobs related to the transportation of the materials. There would be jobs related to the construction and preparation of the site. There would be jobs related to the electricians and the actual establishment of the issue. Some of these are full-time jobs; some of those are part-time jobs—

Mr. Rick Nicholls: Part-time, temporary jobs.

Hon. Christopher Bentley: A construction job is, for the most part, a job that has many temporary, short-term or fixed-term contracts that are all pieced together. That is much of what construction is. They're all good jobs—high-paying.

The methodology for calculating the jobs is very much the methodology that, for example, the federal government has used traditionally, including during its stimulus funding programs. We count over 20,000 jobs already, and we're on the road to 50,000, through the green energy and economy act and some related green initiatives.

Mr. Rick Nicholls: Maybe I could perhaps add a little clarity. From personal observation, driving down the 401, I would see a police escort, one at the beginning, one at the end, and you have someone driving the trailer, hauling a portion of a wind turbine. Assuming that there were three people involved in that—one in the truck and one at the beginning and one at the end in the police cruisers—would you describe that as three jobs?

Hon. Christopher Bentley: That's an interesting question. I don't believe we ever counted the police jobs as jobs related to the green energy and economy act. But certainly the transportation of the materials, where the materials were constructed, the development of the site, the electrification of the site—all of those are specifically related because they would not exist but for that project.

You may say that there'd be another project to take them up—you could say that. But then—

Mr. Rick Nicholls: Would that then be double? For example, for one wind turbine—

Hon. Christopher Bentley: I'll just finish this.

Mr. Rick Nicholls: Okay.

Hon. Christopher Bentley: But if those workers are working on the—let's say it's a wind farm. If they're working on the wind farm, they're not working on this second project that might otherwise occupy their time. So somebody else is working there. So you're not—

Mr. Rick Nicholls: Perhaps.

Hon. Christopher Bentley: You've not got the same people working at the same projects. It's like most construction jobs. You're not permanently employed building a new plant, an interchange, putting in piping, sewerage or a subdivision. You're employed for a certain period of time, probably for a series of specific jobs, and then you move on to the next job. If there's no job to

move on to, then you're a construction worker without a job.

Mr. Rick Nicholls: Yes.

Hon. Christopher Bentley: If there is a job to move on to that pays real money, then you're earning an income, and that becomes part of your employment. It's entirely legitimate to count construction jobs as jobs that are directly related to whether it's stimulus funding, whether it's a specific initiative by a private business or whether it's the green energy and economy act.

Mr. Rick Nicholls: So it would include full-time, part-time, temporary, as well. It would be all part of that numbers count?

Hon. Christopher Bentley: It would be all part—using the same methodology, as I understand, that has been used by the federal government before, by the provincial government, through traditional economic modelling programs, including, as I understand, by the federal government when it was calculating the jobs that came out of the stimulus funding that was provided. In the depths of the recession, we worked closely with the federal government to try and make sure there was stimulus funding so the recession wouldn't get worse.

Mr. Rick Nicholls: Okay. Let's say, for example, it takes 50 people—as an example; okay?—to erect one of these wind turbines, and that's everything from the manufacturing to the transportation to ground preparation, cement—all of that. It takes 50 people.

Let's say there are 100 wind turbines. So would you take that 100 wind turbines and multiply that by 50 and come up with, “These are the number of jobs we've created”?

Hon. Christopher Bentley: No, because, given the number of wind turbines, we'd probably be in the hundreds of thousands of jobs already in the province of Ontario.

Mr. Rick Nicholls: You would really like that, wouldn't you?

Hon. Christopher Bentley: I don't pretend to be an expert on the calculation that the federal government and the economic modellers have used. As I understand, there is a calculation that is applied, a modelling that's provided through different types of investments, and it calculates how much of a job it really is. It depends on how long it lasts, what kind it is, as I understand. That's how they calculate out these job equivalents.

Mr. Rick Nicholls: So it's a fairly detailed or somewhat complex calculation?

Hon. Christopher Bentley: Sure it is. The federal minister of economic development, Gary Goodyear, was in London not long ago—in fact, I think he was in London last week—and he was announcing a federal government investment in the Dr. Oetker facility. It's a food facility that is established to make pizzas. It was a good announcement. This is a good-news story. We had announced an investment to attract them over last spring, and that was good. In their press release, they spoke about the number of direct jobs—and they probably took credit for the direct jobs that we took credit for, but that's

okay; that's entirely legitimate—but also spoke about a number of construction jobs. I can't remember the number; it might have been 600. Those jobs would not necessarily have meant that 600 people, or whatever the number was, were working from January 1 to December 31 full-time on the same site. There would be a number of different trades. There would be the ones involved in excavating the site, there would be the ones involved in preparing the site, and the concrete formers, and then the steel erectors and then the outside finishers and the inside finishers and whatever else. However you calculated that, you'd come up with the equivalent of the 600 jobs. It wouldn't be for me to question that job calculation, because they have a pretty standard methodology, as I understand, and I think we use pretty much exactly the same.

I do think it's important to acknowledge that whether you're a construction worker who has a series of jobs that form a full-time year's employment, whether you're an engineer who has a series of contracts that form a full-time work, whether you're a site planner who has a series of contracts that form a full-time work, or whether you're someone who actually is constructing a series of turbines that go to different locations, it's entirely legitimate to say that some part of their year's work was created by that employment, because without that employment, they may have a hole in their schedule of two months, three months, six months, and a corresponding hole in the income.

Mr. Rick Nicholls: I want to change the channel just slightly. I wanted to ask you a question—again, it's still job-related. What is the government's procedure before offering grants to green technology companies to set up shop in Ontario?

Hon. Christopher Bentley: It would probably be wise of me to ask, in what sense? As you know, there are a number of different government programs that exist that support, in a different way, shape or form, green technology.

There was an announcement made by my predecessor, Brad Duguid, about a year ago, with respect to the GE smart grid innovation centre that's up in Markham—GE, one of the larger companies in the world, investing a substantial amount of money, I believe \$18 million, in a smart grid innovation centre. That would potentially qualify as green technology.

There is invariably in most government programs—I believe all—an independent assessment and application process, and then a determination as to whether the particular project was appropriate or not.

Why don't I, with that as a preface, just ask you: Is there a specific program or a specific project that you can direct my attention to so I have a better sense of what the criteria or application might actually have been?

Mr. Rick Nicholls: I'd be happy to do that, but I would also like to ask, just before I ask that question, could you perhaps table those assessment documents to help us along in the process of this? That will help us further understand the procedure in terms of offering of

grants to green technology. In other words, we're looking for the criteria, Minister, in terms of selection.

That leads me to this next question: Why was this government able to shell out \$2.7 million in taxpayers' money to WindTronics without realizing that the venture was doomed—\$2.7 million in taxpayers' money went there and then they're gone.

1600

Hon. Christopher Bentley: Well, thank you for that.

Mr. Rick Nicholls: You're welcome.

Hon. Christopher Bentley: With respect to the tabling question, again it would be helpful to know what I was being asked to table. There are quite a number of programs where the Ontario government is prepared to assist businesses in different ways: sometimes through apprenticeship grants or credits; sometimes through different tax initiatives; sometimes through different infrastructure investments; sometimes through different granting opportunities, and the question for all of those, I believe, there would be objective, easily findable criteria that are posted either through the ministry, through the program directly or through the agency that provides the grants, and those would be the criteria which govern the issuing of the grants.

Mr. Rick Nicholls: Perhaps those could be the documents that could be tabled.

Hon. Christopher Bentley: I think a little more detail would be somewhat helpful in narrowing the scope; otherwise I suppose I would direct you to the websites of the government of Ontario. They would all be posted there and easily findable.

I think you've asked me about one in particular, and that was a grant with respect to WindTronics.

Mr. Rick Nicholls: Yes.

Hon. Christopher Bentley: That, as you will know, was a grant made by the Ministry of Economic Development and Innovation, not the Ministry of Energy. So it was not our ministry that actually made the grant.

If you're asking me generally, "Is it from time to time the unfortunate circumstance that companies that have been supported in some way by the government of Ontario decide not to continue in business?", you will know and your party will know from its experience in power that that is an unfortunate circumstance that happens from time to time and has happened as long as the government of Ontario has been in existence and happens through all parties. One is not necessarily clairvoyant and one is not necessarily able to foresee every circumstance that occurs in the future.

We do take steps within the ministry to make sure that—there's an application process. We take steps to make sure that protections are in force for the taxpayer of the province of Ontario, and that there is as independent an application process and assessment as possible.

Mr. Rick Nicholls: Just before I turn it over to my colleague Mr. Leone, I would just suggest that perhaps unfortunate situations like that do not bode well for all parties, as well as the taxpayer. That's unfortunate, but those things do happen, and so safeguards—

Hon. Christopher Bentley: That's a fair comment, and I think it's for us to learn from those and to build into future criteria whatever additional measures are considered appropriate in light of the experience. I know that the people who assess these applications—and there are many, many applications. We've all been at tables, and they all sound good. I know that the proposals are given a lot of attention and a lot of assessment by ministry officials, throughout the years, of all governments who have taken a look at these. All governments of all stripes have had different types of programs, at the provincial, federal and even, in different ways, assessments at the municipal level, although they are somewhat constrained in doing things. The challenge that we all have is, it is always difficult to predict with certainty what the future will hold.

Mr. Rick Nicholls: Thank you. I'd like to turn it over to my colleague Mr. Leone.

Hon. Christopher Bentley: Yes. Thank you very much.

The Chair (Mr. Michael Prue): There are four minutes remaining.

Mr. Rob Leone: All right. I just wanted to touch upon a few things that you've talked about, one being this grant to WindTronics. I acknowledge that you suggest that there are some difficulties sometimes projecting the future success of companies when you're awarding these grants, but doesn't that in essence condemn the whole nature of getting involved in projects where you're trying to essentially pick winners and losers with business?

Mrs. Teresa Piruzza: Just on that, notwithstanding the question, I believe the minister indicated that the grants are provided through the Ministry of Economic Development and Innovation. So I'm not sure how that question relates to the estimates and budget and service plan of the Ministry of Energy.

The Chair (Mr. Michael Prue): You may, in fact, be correct, but the member has every right to ask the question. I would assume the minister may respond exactly as you just have, but that is his prerogative as well. So I'm going to allow the question, and the minister can answer if it belongs in another ministry.

Hon. Christopher Bentley: With respect to the specifics of a grant given by another ministry, I think it would be for the other ministry to provide the information.

Mr. Rob Leone: What's your personal opinion?

Hon. Christopher Bentley: My personal opinion is that it would be best to get the answer from the ministry that actually provided the grant. I think their perspective on it would be enormously helpful.

Government participates in the lives of the families and businesses in the province of Ontario in a thousand different ways, don't they? When you build a road that a particular municipality has been asking for, or upgrade a road that a municipality has been asking for because they say it will spur economic activity, it's because you've made an assessment to some degree that their hope, wish and dream of the road or the road improvement will

actually result in spurring economic activity. Very few of us stand on that road five or 10 years later and actually count the number of vehicles and count the assessment and determine whether that actually succeeded.

When you talk about changing corporate tax structure—and there has been lots of discussion about corporate taxes, everyone with a slightly different perspective—that, to some extent, is an indication, depending on your position, that adjusting corporate tax structure will either have a positive effect, possibly, on economic activity or not a positive effect on economic activity. That, to some extent, is making an assessment of whether a particular initiative that the government would participate in would be of assistance, or not of assistance, or would be neutral, depending on what your perspective is.

If you have a particular grant program or loan program or hybrid program or apprenticeship support program or whatever you do, that, again, is a program that you would design with a particular goal in mind, and you would make an assessment as to whether it would be successful.

You can go down the list of all of the different—the Progressive Conservative Party has spoken from time to time about changing ratios when it comes to apprenticeships. Again, you're making an assessment about the utility of a particular legislative initiative—

Mr. Rick Nicholls: Were you part of that particular decision-making, Minister, with regard to this grant that was given by economic development? Was your ministry part of the decision process—

Hon. Christopher Bentley: No, of course not. I'm just indicating that these types of assessments—

The Chair (Mr. Michael Prue): With that answer, the 20 minutes is now up.

Hon. Christopher Bentley: Oh, sorry about that.

The Chair (Mr. Michael Prue): All right. On to the NDP.

Ms. Cindy Forster: Minister, Tom Mitchell, the CEO, made \$495,000 more this year over last year, bringing his total compensation to \$1.8 million. There's a private rumour out there that OPG and Hydro One kind of prop each other up, thereby justifying each others' salaries, and that part of his pay was for getting rid of 500 employees in 2011. OPG also paid \$30,000 for consultants, Towers Watson, to tell the company that Mr. Mitchell should be paid more.

My question is, does a half-a-million-dollar raise really make sense in an era of belt-tightening, when we're here as a government and we're talking about our \$16-billion deficit and how everyday folks have to tighten their belts? How does this happen?

Hon. Christopher Bentley: I believe there are several parts to the answer, if you will. My information is—acting on information received—that the change in compensation may reflect his first full year as the CEO.

I think your broader point is, it's a significant amount of money. I think that was your broader point. I take the broader point, and let me take the question in that sense, if I could.

1610

Ontario Power Generation, our publicly owned utility, enormously important in the lives of the people of the province of Ontario—and I know your party has spoken about that; your leader has on a number of occasions—have an obligation, and I trust it's an obligation that we would all share, to make sure they deliver the services that they need to deliver, making sure that they generate power for us, in the most cost-effective way possible. That's what families and businesses would expect.

The jobs at OPG and the workforce at OPG are very highly trained, very highly skilled, do very important work for the people of the province of Ontario—a great deal of respect and admiration for the work that they do. It is always important for those involved in an enterprise such as OPG, a publicly owned enterprise, to make sure they can deliver the service in the most cost-effective way possible.

We have a number of initiatives under way right now with respect to OPG specifically that ask them to keep looking for ways to reduce costs, because again, I know your party has and your leader has asked from time to time about the cost of the electricity, for example, that's delivered. The cost of electricity is very much a creature of its production, transmission and delivery, and your party has asked about how we can continue to look for ways to manage the cost.

So it is incumbent upon us, taking the spirit of those questions, to continually look for ways, and if there are ways where what OPG has traditionally, historically done can be done more effectively, can be done more cost-effectively, those cost savings are passed on to families and businesses. So it is part of the obligation of the leadership of that enterprise to take a look at ways—and they work very closely with labour, with the union—of doing the work that they have to do as cost-effectively as possible to meet the challenges of the future.

The cost of bringing on new generation—and OPG itself has huge projects down in Niagara Falls with the third tunnel and up in the Lower Mattagami, just to name a couple, not even to mention the refurbishment at Darlington that's about to be started. Those are enormously important projects. Doing anything today is more costly than it was 20, 40, 60 years ago.

So OPG, Ontario Power Generation, always has an obligation, an obligation we would expect they discharge, to look for ways of doing things cost-effectively. I would expect the administration, working with labour, would look for ways of doing things cost-effectively. That's one of the ways that we can continue to make the strong case for public ownership of these enormously important utilities, that they are kept as strong and competitive as absolutely possible.

Ms. Cindy Forster: Well, the comparator group for Mr. Mitchell includes public entities such as AECL and hospitals like Sunnybrook, Sick Kids' and the University Health Network, and he makes three times more than many of them. Is his job more important than those who are running our hospitals and actually saving the lives of

people who live here in the province? Doesn't that kind of make a mockery out of using those entities as his comparators?

Hon. Christopher Bentley: There are a number of initiatives in the budget that address very specifically the salaries of those who make significant amounts of money. One of those initiatives, the surtax, is an initiative that the Liberals and NDP have agreed to as a result of some very extensive, very long discussions related to the budget and which led, I understand, to our being able to pass the support for the budget resolution several weeks ago and hopefully will result in our being able to continue that agreement and pass the budget itself so we can implement the spirit as well as the fact of that agreement. That surtax, 2%, will apply to those making more than \$500,000 a year, wherever they happen to work.

There are also initiatives in the budget that relate specifically to whether any salaries can increase. In fact, we're asking that they not; we're suggesting very strongly that they not increase. That will apply to everybody. We are in a much different reality in all levels than we ever have been in before.

Although it's tempting, I'm not going to reach back over the decades into history and try to justify or undo or explain every salary from every government for every agency of every sort. I can speak to where we are now and where we intend to proceed in the future. I think that would be the most fruitful thing to do. And as I say, we've worked together, the Liberals and the NDP, on a number of initiatives that are specifically addressing those whose wage is substantial—so more than \$500,000—with the surtax, and the statements in the budget reflecting that there should not be any increases.

Ms. Cindy Forster: Well, Hugh MacDiarmid, who's the CEO of AECL, in 2010 was actually making only \$400,000, which is a quarter of what Mr. Mitchell makes and is less than what we believe Mr. Mitchell's raise was this year over last year. How can that make sense?

Hon. Christopher Bentley: Well, as I say, I may resist the temptation to try to explain from this chair all that has happened in the past with every agency through every government. They're all substantial amounts of money, and I think we have taken some significant initiatives in the budget with respect to making sure that the more significant salaries that are paid directly or through boards, agencies and commissions do not increase. And we have taken additional steps as a result of the very extensive budget discussions that occurred, before the budget resolution was passed by the House, between the NDP and the Liberals.

Of course, none of those additional measures or discussions will actually come into force unless the budget is actually passed. I believe it needs to be passed by July 1, so we're involved in the legislative process—

Interruption.

Hon. Christopher Bentley: —and I hear the ringing of bells. It reminds me of the old song: Someone's knocking at the door / Somebody's ringing the bell.

We're quite hopeful that we can actually pass the budget so that we can bring those measures into force that specifically address the people who are making a significant amount of money.

Ms. Cindy Forster: Do you think that Mr. Mitchell actually does a better job or works harder because he's making \$1.8 million instead of \$1.3 million?

Hon. Christopher Bentley: I actually believe that people, regardless of their title or position or what they're paid, work hard, that they try to do the best job possible, that that's almost a universal truth. I have a great deal of faith in people, so I would hope and expect that people at all levels would do that.

What we're asking of Ontario Power Generation—and you addressed this in your earlier question—is to do things that they've not traditionally been asked to do, and that is to think even more creatively than they have in the past about how we can take costs out of the system. So we've asked that at Ontario Power Generation, how they can deliver the same for less, more for less, because that will be reflected through to families and businesses that pay for the power, the energy that's produced.

As I say, the NDP have asked a number of different questions on the steps that we're taking or the cost of electricity and how we can better manage electricity, how we can reduce the cost of electricity. One of the ways is to make sure that we're producing it as cost-effectively as possible. I know that Tom Mitchell and the crew at OPG are involved in a very extensive exercise. I mentioned that they have already taken hundreds of millions of dollars of costs out of the system by finding more effective ways of doing things, working with the union and the other members of the workforce in the administration there.

They're involved in an international benchmarking exercise where they compare how they do different initiatives, conduct different initiatives; they're involved in that exercise that compares them to other generators of electricity throughout the world, not just North America but throughout the world to see if there are other approaches that can be taken that can be more cost-effective. We've taken a different approach to the refurbishment at Darlington—I've been asked a number of times about that—which involves a very extensive planning and preparatory approach, breaking the traditional contract into multiple parts, competitively procured so that we can make sure that we have a better idea of scope and size for a particular contract.

In fact, the first contract is actually going to involve planning work down to 30-minute increments. So everybody will see—if it takes 32 minutes, we'll know what's going on. The more you measure, the better you can manage. I really like that approach; it's a different one. That, I believe, is the first time in the world that this approach has been taken to a refurbishment project.

As I spoke this morning with your colleague Mr. Tabuns, construction projects—whether they're nuclear, whether they're energy-related, whether they're just general construction projects—throughout the world have

sometimes, the larger they get, had some challenges with time and budget. So the more we can do up front—that's one of the lessons—the more we can do by breaking it down and better scoping the projects, the more we can do by planning down to smaller increments, the better we have to manage. That's some of the work that Tom Mitchell and the people at OPG have been doing. And as I say—

The Chair (Mr. Michael Prue): I'm going to stop you there, because we can continue—

Hon. Christopher Bentley: Time?

The Chair (Mr. Michael Prue): It's now four minutes and 52 seconds to go to the vote. We have to recess in accordance with the rules of the House. We will stand recessed and return in approximately 10 minutes—five minutes after the vote. Thank you. Meeting recessed for about 10 minutes.

The committee recessed from 1623 to 1634.

The Chair (Mr. Michael Prue): The meeting is resumed. The floor is back to Ms. Forster.

Ms. Cindy Forster: Thank you. Minister, one of the NDP proposals, actually, when we were talking about the budget motion—way back when, it seems like so long ago now—was the need for a hard cap on CEO salaries. Don't you think that this is an example of why we need a hard cap on CEO salaries, that Mr. Mitchell would be making so much more than his comparator group?

Hon. Christopher Bentley: Thank you very much for the question. When I was speaking about the proposals, I was referring to the proposals which were the subject of the what I understood to be concluded negotiations between the NDP and the Liberals. I try very hard to make it a practice not to talk about negotiations, particularly those discussed in private. I know there were a lot of very extensive discussions, some of which were public, some of which were not—

Ms. Cindy Forster: Well, ours was public.

Hon. Christopher Bentley: As a result of those very extensive discussions that took place over however many weeks that was—four or five weeks—I understood that there was a concluded set of proposals between Premier McGuinty and leader Andrea Horwath. Those are the proposals that I was speaking to and addressing; not any others that might have been floated either in public or in private that had not been the subject of a conclusion.

My point simply being that advancing the concluded proposals, the agreed-upon proposals, between the NDP and the Liberals requires that the budget actually pass. If it doesn't pass, that includes the 2% surtax for those who have \$500,000 or more. That means that would not be imposed; that will not be part of it. So it is important that we pass the budget, even as we hear the bells ring again through the walls of the Legislature. That's what I was referring to when I spoke about proposals.

Ms. Cindy Forster: Now, the employees who actually work for OPG and Hydro One are public sector employees as well. Is that the case? Broader public sector employees?

Hon. Christopher Bentley: Well, they are workers who work for publicly owned corporations, members of a

number of different unions, professional associations. Then your question was?

Ms. Cindy Forster: Then my question is: Are they going to be expected to take a public sector freeze, as is being proposed for hospital workers and teachers and doctors and—

Hon. Christopher Bentley: I don't want to get—everybody has those things that they try not to do. I try never to get ahead of the Premier. Second, I try never to get ahead of the Minister of Finance.

We have that budget document in front of us, which speaks quite articulately of the challenge that we're in fiscally; the importance of making sure that we get to balance in 2017-18; how half of the budget that is paid by the people of Ontario, the taxpayers of the province of Ontario, is actually in wages and salaries; how we are doing what we need to do to make sure that we can get to balance; and how we'll be looking for people in a number of different situations to take—respect—a wage freeze while we get there. I know the Minister of Finance will be looking for the opportunity to speak about this, about the implications and what that means, in some other detail, so I will choose not to get ahead of that. There are also some negotiations going on in some of the agencies at the moment, so I'll try not to get ahead of those discussions and negotiations.

I think in the not-too-distant future that the Minister of Finance will be seeking the opportunity to speak in somewhat more detail about what is laid out in the budget, in fairly great detail itself.

I think it would be fair to say that we'll be looking for every Ontarian to do their part, however that's defined, as we all come to balance. If we all do our part, if we all do what is necessary, then we can get to balance. We'll be able to continue to protect and preserve the education, health care and related social services that we all hold so dear and make sure that we continue to build a strong and vibrant economy to help families in the province of Ontario.

Ms. Cindy Forster: So do you think it would be fair and reasonable and just to expect these hydro employees to actually take a wage freeze or a zero increase when their boss is getting a \$500,000 increase? That's something like a 35% increase. Do you think it would be fair and reasonable to even ask those employees to do that?

Hon. Christopher Bentley: As I think I addressed in the previous answer, the increase you referred to actually reflects a full year. It doesn't make the amount of money any less, but it actually reflects a full year rather than part.

But I also would say that what we've seen in the budget is the outline of an approach and a march to balance with some specific markers that need to be hit. We're being watched by the international monetary community, and we have an obligation to make sure we hit the markers, an obligation to make sure we get the balance, and an obligation to make sure that all of the pieces that are in the budget can be passed so that there's not a fiscal sliding, a backsliding, from the markers that

need to be met. So when we address what different wage changes might or might not look like from here on, that'll be from this point forward. I can't change what has happened in the past. The budget was quite clear—

The Chair (Mr. Michael Prue): I'm going to have to stop you there. We will now go to the Liberals, but I see that we have 18 minutes and 33 seconds until the next vote, so the 20 minutes you have will have to be split in two at about the 13-minute mark.

To the Liberals.

1640

Mr. Reza Moridi: Thank you, Minister, and welcome to the committee.

Hon. Christopher Bentley: Thank you.

Mr. Reza Moridi: Minister, your ministry is one of the key ministries in the government, a ministry with a number of agencies and a couple of crown corporations and so on and so forth. Could you please tell us about the budget of your ministry and its components?

Hon. Christopher Bentley: Well, thank you very much. That's a great question and gives us a chance to talk about the results-based plan that is before us, which might notionally have been the subject of some of the 15 hours of estimates. Although I would very much like to take the opportunity to speak about those pages, I thought I'd give the deputy an opportunity to take us a little bit through the estimates book.

Mr. Serge Imbrogno: I was going to ask John Whitehead, the CAO of the ministry, to come up and talk about the results-based plan.

Mr. John Whitehead: Good afternoon. The members will have the results-based plan book. I think I can draw your attention to page 38, where there is a summary table containing some of the information. But let me just start by saying that the ministry is approximately a \$1.4-billion ministry in 2012-13. The vast bulk of the ministry's expense is actually devoted to programs that will help consumers to manage the price of electricity.

The ministry's own allocation, the ministry's own operational spending, is approximately \$56 million out of the \$1.4 billion. Of that, about \$17 million is devoted to ministry administration and \$39 million to the energy development and management program. The ministry employs approximately 215 staff; that number has been consistent, and it operates a number of transfer-payment programs. Most of our ministry administrative expense is for payroll, and we also have HR, audit legal functions, things like that—and, as you mentioned, sir, the oversight of five major energy entities. So that is the overview of how the ministry spends its—

Mr. Reza Moridi: Yes. Could you take us into a little bit more detail on the budget, please?

Mr. John Whitehead: Absolutely. Of the \$1.4 billion, approximately \$1.1 billion, or almost 80%, is directed towards the Ontario clean energy benefit. This is a benefit that provides eligible consumers with a 10% reduction on their electricity bill.

We also have the northern Ontario energy credit program, which was added in the last round of the budget

as a result of a change in accounting policy. We have a number of consolidation adjustments in respect of the Independent Electricity System Operator, the Ontario Power Authority and the Ontario Energy Board.

After we get through those major expenses, about 4%—so we've got about 78% for consumers for the price of their electricity, about 18% for consolidation adjustments, and about 4% for ministry administration.

Mr. Reza Moridi: Thank you very much.

Minister, I realize that there are a number of programs in your ministry. Could you explain to the committee what those major programs are and how much the budget is for each one of those major programs within the ministry?

Hon. Christopher Bentley: Well, thank you very much. I'm going to turn it back over to ADM Whitehead in just two seconds, but it's an interesting ministry because when you reflect on the estimates, what you really have is a very large budget for the Ontario clean energy benefit, another part of the budget for the northern energy tax credit, and then a relatively modest series of estimates with a relatively small number of hard-working employees who are directly involved in the ministry business.

As you have correctly indicated in the preamble to your question, we are responsible for a number of very important and large agencies or commercial enterprises, such as Ontario Power Generation, such as Hydro One, such as the Ontario Energy Board—it's independent, but we're responsible for that—the OPA, Ontario Power Authority, and the IESO, the Independent Electricity System Operator. So we're responsible for those, even though not all of the facts and figures are actually reflected through the estimates of the ministry.

I wonder, John, if we could maybe take it down to the next level with some of the programs that you mentioned—where they appear, what they are—maybe beginning with the Ontario clean energy benefit. You might want to help us out and, if you can, direct us to the page where it might appear.

Mr. John Whitehead: I'll do my best.

The minister's overview was a good one. The Ontario clean energy benefit does dominate the ministry's spending. Approximately \$1.07 billion for 2012-13 is what we are estimating. It is a program of the ministry; it's a transfer payment. We work with our partners in the Ministry of Revenue, who will be our statutory auditor, as well as local distribution companies and the Independent Electricity System Operator for the delivery of that program.

I mentioned briefly before that the northern Ontario clean energy benefit is a program that recently came under the purview of the ministry through a change in accounting policy. This is an income tax credit program. It is a \$39-million program directed towards northern Ontario residents. It forms part of the tax benefit programs that people would apply for on their income tax returns, and so the Ministry of Finance has a significant interest in that particular area.

Agency consolidations account for approximately \$267 million. So again, I'm on the table on page 38; you

can see the \$266.868 million listed there. I should note that those consolidation adjustments arise because of Ontario's adherence to Public Sector Accounting Board principles and policies, and so the ministry does consolidate those impacts onto its books—

Hon. Christopher Bentley: Would you mind if I just stopped you there? Sorry to interrupt, but for consolidations, maybe it might help just to talk a little bit about—

Mr. Reza Moridi: Actually, this was my question, about what “consolidation” means. I know that's an accounting and a finance term, but maybe you would explain to us: What does that mean?

Hon. Christopher Bentley: And I will pass that over to John Whitehead to explain fully what that actually is.

Mr. Reza Moridi: Give us a full explanation. My knowledge in accounting and finance is zero, so fill me in, please.

Mr. John Whitehead: As a matter of accounting policy, it is normal practice for us to bring onto the province's books—it's not just a Ministry of Energy decision; it's a government-wide process that's used to bring onto the government's books those activities and those entities that have received financial resources or support from the province of Ontario. There are actually a number of criteria that are used to determine how and when consolidations will happen.

In this particular case, the purpose of the consolidation is simply to ensure that when people look at the estimates of the ministry, the book of the ministry, they can see our financial relationship with the OEB, the IESO and the OPA. What we are trying to do is capture those activities that are happening outside the consolidated revenue fund but within the government's reporting entity as it's understood for accounting purposes.

Hon. Christopher Bentley: When you indicated words to the effect that “we” made the decision, did the Auditor General have something to do with how this happens, or—

Mr. John Whitehead: Absolutely. I probably didn't say that clearly, but it's not a government accounting policy decision. There is a Public Sector Accounting Board, independent, which makes policy in respect of the accounting treatment of various transactions. The government adopts those policies, and, as part of our audited financial work with the Auditor General, we follow those policies. So the minister is quite right: The Auditor General does look for those kinds of transactions.

In this case, the province's agencies are consolidated if the agency has annual revenues or expenses, assets or liabilities of \$50 million or more, if the agency has annual revenue of \$10 million or more from sources outside of the provincial reporting entity, or if the agency has an annual surplus or deficit greater than \$10 million. So there's a standard set of rules that apply, and our agencies are captured by those.

Hon. Christopher Bentley: And so, of course, one of the challenges in consolidation is that if there is an agency that's being consolidated onto the books and it

runs a deficit, for example, that very much reflects on the books of the province of Ontario.

Mr. John Whitehead: It does indeed.

Hon. Christopher Bentley: And you'll see on page 39 that it's broken down into operating consolidation and capital consolidation, reflecting the different accounting principles to the two.

Now, I might just turn it over to John, because I can't answer this question. Hydro One and OPG are not directly consolidated onto these books, but there's an accounting treatment that we spoke to the other day, and maybe, Deputy, I could ask you to address that.

Mr. Serge Imbrogno: Sure. For OPG and Hydro One, they're government business enterprises, so they have a special treatment called a modified equity treatment. Basically the province picks up the net income of OPG and Hydro One on a one-line basis, but also, through the consolidation that John talked about, both companies make payments in lieu of taxes. Those payments in lieu of taxes go to the Ontario Electricity Financial Corp. to pay down the debt and liabilities of the old Ontario Hydro, and the OEFC is consolidated onto the government's books, as the OPA and other agencies are as well. So that's kind of a consolidation of the OEFC but a special treatment of Hydro One and OPG, because they're commercial entities and they have a different accounting treatment.

Mr. Reza Moridi: So OPG and Hydro One are operated as a commercial business, like a private company, basically, owned by the government, so the government is the sole shareholder of those companies?

Mr. Serge Imbrogno: That's correct.

Mr. Reza Moridi: And the companies are run as a business, so whatever profit they make, the profit goes into a separate account to pay the stranded debt or debt retirement charge or whatever?

Mr. Serge Imbrogno: That's correct.

Mr. Reza Moridi: Is that correct?

Mr. Serge Imbrogno: Yes, so all the net income—

The Chair (Mr. Michael Prue): I want you to think about your answer, because we have exactly five minutes left before the vote.

Please return in about 10 minutes, following the vote. The committee is recessed for about 10 minutes.

The committee recessed from 1654 to 1707.

The Chair (Mr. Michael Prue): Meeting resumed. There are approximately seven minutes left.

Mr. Reza Moridi: Minister, I understand that the budget of the ministry is \$56 million. Would this include the budget for agencies such as OPA, OEB and the Independent Electricity System Operator? They're also included within this budget?

Hon. Christopher Bentley: Why don't I turn it over to John Whitehead, and he can take us through the details.

Mr. John Whitehead: We pick up the financial effects of the agencies through consolidation on our books. The deputy, in his answer, covered the treatment of Hydro One and OPG, but for the Independent Electricity System Operator, the Ontario Power Authority and the Ontario

Energy Board, the operating principle is to pick up the full nature and extent of our financial affairs and the work that the agencies do through government. So the revenue, expense, assets and liabilities of the OEB, IESO and OPA are consolidated—I'm just looking at my own note here—on a line-by-line basis with the accounts of the ministry after the elimination of significant inter-organizational transfers and balances and adjustments necessary to present the accounts of these agencies on a basis consistent with the accounting policies of the province. It's a long way of saying that what we try to do is take the financial results of the agencies into account on exactly the same basis as we do our own accounting.

I should note that because each of these agencies is self-supporting through revenues generated through the rate base, the consolidation adjustments are without fiscal impact for the province. While we see, for clarity and transparency and completeness, the financial relationship between the province and the agencies, the fiscal impact is not there because of the revenue offsets that the agencies have.

Mr. Reza Moridi: So these agencies are basically providing service for a fee? Is that how they operate? They don't consume any financial resources from the government.

Mr. John Whitehead: We don't transfer financial resources to any of those—

Mr. Reza Moridi: It's self-supporting, basically.

Mr. John Whitehead: Yes. The Ontario Clean Energy Benefit is a transfer payment program that we work through the IESO. But for their own operations and day-to-day work, no, we do not issue transfers.

Mr. Reza Moridi: You spoke about consolidation, basically saying that this is the kind of accounting and the financial measures which you take. Why are we consolidating the accounts of OEB and OPA and Independent Electricity System Operator? Is there a particular reason for doing that? Could you elaborate on the reasons?

Hon. Christopher Bentley: I'm going to let John Whitehead continue.

Mr. John Whitehead: I think the minister alluded to it earlier in his comments. This is a government-wide policy, to adopt the policies and practices of the Public Sector Accounting Board's standards for accounting for the province. This is something that all ministries, all entities within the government, work with. The government is compliant with our accounting requirements. This forms part of our financial statements. The public accounts are, of course, reviewed by the Auditor General for completeness and for compliance with audit standards.

Mr. Reza Moridi: Is it fair to say that if these agencies, any of them or all of them, come up at the end of the financial year with a certain amount of deficit, that that deficit would be transferred to the government? In other words, is the government responsible for paying for their deficit?

Mr. John Whitehead: The short answer is no. For completeness we show the financial relationship between

the province and the agencies in our public accounts, but again, it is without fiscal impact to the province, because these are balance sheet adjustments. Each of these entities has revenues that they can generate through the electricity rate base to fund and support their operations. So the short answer is no, these entities do not add to our deficit.

Hon. Christopher Bentley: The three agencies that we're speaking about now are the Independent Electricity System Operator, the Ontario Energy Board and the Ontario Power Authority.

I'm wondering, Deputy: With respect to OPG, Ontario Power Generation, and Hydro One, is it a little more complicated than that?

Mr. Serge Imbrogno: Yes. For OPG and Hydro One, the province is the 100% sole shareholder, but they are commercial companies. They operate in a market. Hydro One is rate-regulated, but its revenues are subject to demand, subject to availability of electricity. For OPG, its revenues are also subject to the market. It's subject to the price in the market, so their revenues will fluctuate up and down.

What the province does is, it picks up and consolidates on a one-line basis as opposed to a line-by-line for these other entities. So all the debt remains off-book for OPG and Hydro One. What the province picks up is the single line, which is the net income of OPG and Hydro One, and that net income can be positive or negative. Usually the combined net income of those two companies is \$500 million to \$1 billion on average, so it's usually a positive number that we pick up. That money comes into the province; we then dedicate that to the OEFC in one form or another. We dedicate it over, and it goes towards paying down the debt and liabilities of the OEFC.

The payments in lieu of taxes that these companies make: They're 100% owned by the province, and we impose this payment-in-lieu-of-tax regime, which basically mimics what a commercial entity would pay. But instead of that money coming directly to the province, it's dedicated directly to the Ontario Electricity Financial Corp., and the OEFC uses that money exclusively to pay down the debt and liabilities of the old Ontario Hydro. So that's basically a closed system that we've put in place.

The Chair (Mr. Michael Prue): I'm going to have to stop you right there. The next 20 minutes is to the Conservatives.

Mr. Rob Leone: Thank you very much. Minister, we want to go back to the green jobs you mentioned earlier. When you're talking about green jobs, you come up with some pretty big numbers in terms of the kinds of jobs that you're creating. In your previous answers to our questions in our last PC round, you mentioned that some of these jobs included things like transporting green energy parts to their place of destination using diesel trucks and so on and so forth, which may not be green jobs.

You also mentioned, with respect to the green jobs, that there's a calculation based on how many jobs are going to be created based on investment. With respect to the green jobs that have been created, are these actual

jobs created or are they simply an estimation based on a calculation?

Hon. Christopher Bentley: Thank you very much for the question. Any form of economic activity—and you'll know this—creates jobs of some description and in some sense, and when estimates or figures are provided by the federal government, the provincial government and other governments about the jobs that a particular initiative or investment will create, there is a standard methodology calculation, as I understand. The one used by the federal government, including today's Conservative federal government, is a similar one used by the province of Ontario and a similar one that was used in calculating the job. What they calculate are the jobs that are being created, given economic modelling, from a certain degree of economic activity, investment and other initiatives.

Mr. Rob Leone: So do we have an estimation of how many actual jobs have been created?

Hon. Christopher Bentley: Well, those are the estimates of the actual jobs. So when we talk about more than 20,000 jobs being created, those are the estimates of the actual number of jobs that have been created because of green initiatives in the province of Ontario.

Mr. Rob Leone: So there's nowhere in government whereby you'd have a spreadsheet based on how many jobs were created in X company and another 100 jobs created in another company. You wouldn't have a figure of actual jobs, simply just an estimated number based on a calculation?

Hon. Christopher Bentley: Well, you'll know, from time to time, in answer to questions in the House, that I have provided numbers of jobs related to specific investments, economic initiatives, manufacturing plants or other economic activity. I've mentioned specifically those. As I understand it—and I'm not a professional economic statistician or a modeller—but as I understand the approach, the methodology is to combine different sources of information into a modelling approach so that you can best estimate what type of jobs will be produced by a particular initiative and economic activity.

For example, when the PC caucus talks about different economic activity resulting from the creation of thousands of apprenticeship spots being created by a particular initiative, you, I suspect, have used a certain amount of modelling or borrowed the modelling from others which generates that number, that economic activity. It, of course, can be the subject of commentary, one way or the other, by different parties.

The modelling that I understand has gone into the green jobs numbers and estimates is the same approach, the same modelling and the same analysis that the federal government has used. I mentioned the Gary Goodyear good-news announcement in London, Ontario, with Dr. Oetker. We thank the minister very much for that. I always believe in applauding good news, and we thank him for that—just as we'd announced an investment in Dr. Oetker about a year ago. It's the same approach the federal government has used. And you will remember, or you'll remember from my answer, in any event, that that

approach speaks to the actual, full-time, continuous jobs in the production facility—I don't actually remember the number that was used—as well as the number of jobs created through construction, which obviously won't be, year on year, permanent, but they will be the number of equivalents that are created through the construction process.

Mr. Rob Leone: So do we have a general understanding of the number of direct green jobs created versus indirect green jobs? Do you have numbers that you could provide for us there?

Hon. Christopher Bentley: I don't have a breakdown of that. I know it's tempting to consider a breakdown between direct and indirect. I think what we want to make sure that we don't do is exclude jobs such as construction jobs—direct, indirect, full-time, part-time, continuous, non-continuous. A construction job, for example, is by and large not a lifetime period of employment on one site, but people are construction workers for a lifetime. It's a very good job—a lot of skill. It provides a very good income, and is extremely important and necessary to the economy of any jurisdiction, including the province of Ontario. But those workers will move from project to project.

One of the things that the stimulus activity that the federal government and provincial government here worked very closely on, along with the municipal governments, was to make sure that investments were made in infrastructure, over the years following the great recession, and to make sure that those workers who would otherwise be without work were engaged in work. So they weren't lifetime jobs, but they were very real forms of—

Mr. Rob Leone: So there's basically no way of breaking down or parsing out the job numbers to understand how many permanent jobs we have? I know you mentioned in previous answers to questions that if someone perhaps got involved—maybe they're a trucker; they may have transported a blade to a windmill. That might have constituted 5% of their overall job; that, for you, would be classified as a green job. So there's no way of understanding how many of those green jobs were full-time, permanent jobs or how many are part-time jobs; how many of those jobs are fragmented portions of jobs that already existed?

1720

We're trying to get a sense of the authenticity of the number, the 50,000 jobs that you say you're going to create. How do we get a sense of confidence that that's the actual number of jobs that are created, versus another run for someone else in the trucking industry, say, bringing a blade to a windmill?

Hon. Christopher Bentley: As I say, the modelling that's been used, as I understand it, is the modelling used by the federal government, including the existing federal government, and by the provincial government for some period of time.

You speak about a wind turbine. We know, for example, that blades are being made by the Siemens oper-

ation in Tillsonburg. We are told that when that's at full production, that will be at least 300 permanent jobs there. We know that CS Wind in Windsor builds the towers, and we know that there will be quite a number of permanent jobs there. We're also told and we know that the steel for the towers in CS Wind in Windsor comes from the Algoma mill up in Sault Ste. Marie. Those workers have a part of the wind turbine that goes up in a particular community; it might be in the Chatham-Kent area.

When the wind turbine is put together and transported, it doesn't just get put on a field; the field has to be prepared. Where the location is prepared, there's a base. I'm not a wind turbine installer, and thank goodness for that or they wouldn't be operating very well, but obviously there would be people who plan the site, design the site, prepare the site, pour the concrete for it, any access roads, do the electrics and then maintain them from time to time, because you don't just put it up and turn it on. There are systems operators and then there are other people. All of those are complete or part of jobs—entirely legitimate to trace to the green energy and economy act because they wouldn't exist but for the act. They may be able to find other things, but the fact that they're working on this means other workers can find the other things that these workers would otherwise have found.

Mr. Rob Leone: You use the word and terminology when you reference this as “50,000 jobs created,” but I think in your answers today you've stated that these aren't 50,000 jobs created necessarily; some of these jobs were created in the past and they're just another business line for these businesses. Do I understand you correctly when I say that? This isn't a new 50,000 jobs; it's just 50,000 jobs associated with the industry.

Hon. Christopher Bentley: No, no. These are 50,000 jobs that trace their lineage to the green energy initiative in the province of Ontario.

Mr. Rob Leone: It's not a creation of new jobs, though.

Hon. Christopher Bentley: Let's be very clear that in any line of business—and I don't know which one you wish to choose, but in lines of private business it's not every business operation that simply has one client. I practised law for 25 years; I didn't have one client; I had a whole series of them. Engineers in an engineering design firm: They won't simply have one client; they'll have a whole series of them. An electrical outfit in a particular community, whether it's Chatham-Kent or another community, will have a whole series of clients.

If you don't have the work, then you're not working. So what we're identifying is the work that generates economic activity income, employment for the people employed by a particular outfit in that community or in the province of Ontario, and that returns income, through taxes, through property taxes, through increased economic activity which isn't counted—that's not counted—in a particular community. You have 10,000 construction jobs in the province of Ontario for the course of a year; you're generating \$500 million, I believe the figure is, in economic activity for different communities in the

province of Ontario. That's not counted in the analysis of the jobs. I don't know that it would be accurate to suggest that it's only the jobs that are 100% full-time, connected with a particular activity that you could actually count—

Mr. Rob Leone: I'm asking about creation, though; right? These are new jobs. This has been the claim by the government, that 50,000 new jobs are going to be created. I think your answers today suggested that these aren't 50,000 new jobs; these are just 50,000 green jobs.

Hon. Christopher Bentley: I think it's 50,000 jobs that trace their existence to the economic activity generated by the green energy and economy act.

Now, you're right, that if the electrical outfit in Chatham-Kent is not working on the establishment of the solar farm, they might be working on something else. But the fact is that while they're working on the solar farm, a different electrical outfit can work on the something else. So you've got an additional economic outlay that is generated by this type of economic activity.

Mr. Rob Leone: Now, the Auditor General stated and cited some European studies that said for every green job created there were two to four jobs in other industries, in other sectors, that we would lose, in terms of the negative job output.

One of the reasons why I've been asking questions in terms of trying to understand exactly how many new jobs were created was to see whether the government could actually refute that claim, in the sense that if you could come up with some statistics in terms of tabulating the actual jobs created. Can you somehow refute that by saying that other jobs haven't been lost as a result of high energy prices? We know over the last several years that we've lost 300,000 manufacturing jobs in the province of Ontario, some of which is linked to the fact that manufacturers pay exorbitant parts of their budgets devoted to energy.

Can the government in any way refute that claim that the Auditor General himself had stated in his report?

Hon. Christopher Bentley: I'd say, respectfully, you've intertwined about 10 different issues in one question. So let me try and step back—

Mr. Rob Leone: I don't think I've intertwined—

Hon. Christopher Bentley: I think, to be fair, the world economic recession which struck the province of Ontario was not particular to us, was not peculiar to us. In fact, it affected a vast number of economies around the western world and saw economic activity in every one of those economies fall precipitously.

Ours, in the province of Ontario, has recovered faster and stronger than most. One doesn't need to look very far on this continent, on the European continent or other places to see that that's absolutely correct.

Those other economies, some of them, such as economies in the United States, have energy costs; far lower than ours, because they like to burn coal and they don't count the adverse health and environmental and other effects from burning coal as a cost of doing business as it relates to energy.

But let me sort of take that and come around to say that as the economy recovers—as any economy participates and recovers—energy is an input cost. For some businesses it's a significant input cost, for other businesses it is not a significant part of their business model; it'll all depend on the particular business.

What we've looked at in the province of Ontario and what we've worked very hard on is to find ways of making businesses in the province of Ontario, particularly in the manufacturing sector, as competitive as possible. That is why, as I mentioned earlier today, we launched the HST. The HST, as you know, is a particular boon for manufacturers because instead of having what was the old sales tax levied at every step of the manufacturing process, it's not levied through the manufacturing, through the production process. It's not levied unless and until the product is completed, and if it's exported, we get a benefit that way. We brought that in specifically to improve and increase the competitiveness of businesses in the province of Ontario. It's something that your party had stood for—long stood for, actually, until the day we introduced it—but had long stood for.

Allied with that, we took steps—and I'm saying this because energy sits within a context and it's important to understand the context. We also, at the same time we introduced the HS, obviously, we combined the collection of the old sales tax and the GST—

Mr. Rob Leone: Minister, we are talking about energy. I just want—

Hon. Christopher Bentley: But it's an input cost, and you asked me about studies, about input costs, and it's enormously important—

Mr. Rob Leone: I simply asked you if you had an ability to refute it, and I don't think I got an answer to that.

1730

Hon. Christopher Bentley: Well, in fact, I am in the process of refuting it, and the refutation, if you will—

Mr. Rob Leone: Well, you're not in the process of refuting it. You're in the process of taking up a lot of time, Minister.

Hon. Christopher Bentley: These are obviously complicated issues, and you would appreciate a full and complete answer, because I rather suspect that if I only gave a partial answer, you might test me on that answer either outside or in the House a little later on, so—

Mr. Rob Leone: You might be tested anyway, whether it's a long answer or a short answer.

Hon. Christopher Bentley: I do want to make sure that you have the benefit of a complete answer, because you deserve that. But as an input cost, you take a look at the taxation—

Interjection.

Hon. Christopher Bentley: You take a look at the cost of the machinery and the plant. You take a look at the cost of energy, and I'll come back to that in just a second. You take a look at the issues relating to labour and labour mobility, among other things.

The various studies that exist—and some have been cited that are adverse; some have been cited that are not,

or some exist that are not—really, what they focus on are input costs. What we've done in the province of Ontario is look to reduce the overall costs for businesses to make sure that they're competitive, and on top of that—

Mr. Rob Leone: Well, that's not really what businesses have told us.

Hon. Christopher Bentley: But on top of that, we layer additional initiatives, such as the northern industrial electricity rate program to reduce the cost of doing business in the north, particularly for those involved in the mining and the pulp.

What we have is a specific demand-response initiative for the 150 top users of electricity in the province which enables them, by reducing their peak demand on the highest-use days, to benefit rather significantly in a reduction in their overall energy use. We have an additional conservation program that has enabled businesses, where they wish, to improve their energy efficiency.

We'll continually look for ways to make sure that businesses, through all of their input costs, are as competitive as they can be in the province of Ontario.

Mr. Rob Leone: Thanks.

The Chair (Mr. Michael Prue): We have about a minute and a half left.

Mr. Rob Leone: I'll hand it over to Ms. Thompson.

Ms. Lisa M. Thompson: Thank you so much. With all due respect, we're talking jobs here, and so I'm going to have some simple, straightforward questions.

Based on the auditor's report that within other jurisdictions, two to four jobs are lost for every green job created, do you agree or disagree with the Auditor General? Just a simple yes or no.

Hon. Christopher Bentley: In fact, we—

Ms. Lisa M. Thompson: Just a simple yes or no, Minister.

Hon. Christopher Bentley: Thank you very much. I appreciate you asking the question, but you'll appreciate that some things require a complete answer as opposed to a word—

Ms. Lisa M. Thompson: Just a yes or a no.

Hon. Christopher Bentley: What we—

Interjections.

The Chair (Mr. Michael Prue): The minister does not have to answer a question with a yes or no. You can ask for a yes or no, but he is entitled to answer it how he wants to answer it.

Hon. Christopher Bentley: In fact, the evidence with respect to green jobs in the province of Ontario is that we've got tens of thousands, including, I might say, a number of manufacturing facilities that have already located in your members' ridings. I mean—

Ms. Lisa M. Thompson: Okay, thank you for that. Let's talk about—

Hon. Christopher Bentley: But I do appreciate—for example, Siemens has set up a blade facility in Tillsonburg that is going to be employing—I understand the number is 300 people in Tillsonburg, which is very clearly in the riding of Oxford. I think it's a good facility; I think it's a good initiative. Those are real jobs—they're real blades—and that's just one of many, many examples

of how the green energy and economy act has in fact created jobs in the province of Ontario and will continue to create jobs in the province—

Ms. Lisa M. Thompson: Okay, thank you very much for that.

The Chair (Mr. Michael Prue): I'm going to stop you there. The time is up.

Before I go on to the next person—for all members—the members are entitled to ask questions. They are entitled to interject if they think they're not getting an answer. But at the same time, the minister is not compelled to answer a question with a yes or no. So, please, have some decorum in here, for all involved. It's sometimes a difficult process, but the minister, it has been my experience, is a pretty capable guy in answering the questions. He knows how to skate around when he wants to.

Mr. Rick Nicholls: Mr. Chair, I just want to—

Interjections.

Mr. Rick Nicholls: A point of order.

The Chair (Mr. Michael Prue): A point of order.

Mr. Rick Nicholls: Mr. Chair, I guess my question would be, when we ask, "What's the time?", we don't necessarily need to know how his watch was made, and that's the reason why we're trying to get some pointed questions to that.

The Chair (Mr. Michael Prue): And I understand that, but the minister cannot be compelled to answer the question the way you want the answer. Unfortunately, that's—

Ms. Lisa M. Thompson: And therein lies the truth.

The Chair (Mr. Michael Prue): And therein lies part of the process. If you ask the question, I would ask that you keep it very brief, very simple, and I will admonish whoever is sitting in that chair, whether this minister or a subsequent one, if they are not answering the question.

But this is pretty complex and I have to be fair to all parties, including those asking the questions and those answering them. So I'd just ask please to try to do that.

On to the next: We have 20 minutes and then we'll have a vote; four minutes to go at that point. We have an option of either going to the government at that point or I would suggest not doing so, inasmuch as at 6 o'clock there is a very formal ceremony outside and I don't want us to be walking out after that has begun. So with the consent of everyone, we will have the last set of questions from the NDP and recess about four minutes or five minutes to 6 in order not to disturb the firefighters' memorial.

Is that agreed? Okay.

The last 20 minutes goes to the NDP.

Ms. Cindy Forster: Thank you. Minister, when we were talking about Tom Mitchell in the last round, you said that he had undertaken a number of initiatives to save money or improve outcomes, improve the system, generally speaking. Could you undertake to kind of provide us with some documents to support some of those initiatives and cost savings, both positive outcomes and negative outcomes, the negative outcomes perhaps being the number of employees and managers laid off,

terminated, severed; the positive outcomes perhaps being improvements in costs or improvements in programs? Would you be able to provide some documentation around that?

Hon. Christopher Bentley: I know that Ontario Power Generation publicly reports its results every year; in fact, I believe your colleague Mr. Tabuns was quoting from a press release with respect to that. Ultimately the public scrutiny with respect to those issues and their related statements—that was the press release; their related statements are public—and they would speak quite extensively to Ontario Power Generation's performance over the course of a year. Basic employment and other levels, I suspect, are spoken to in the documents; we'll check to see.

The initiatives I spoke of, I have addressed to some extent in the House. One of the things that was spoken of in the budget, as I recall, is—as a statement of fact, not a budget initiative—the fact that OPG and Hydro One are involved in an international benchmarking approach. What that means essentially is that they are going to be comparing their performance criteria against similarly situated enterprises throughout the world to make sure that their approach is matching up, or at least their results are matching up. There aren't a lot of further details to provide you with at the moment, because we're just starting the process of determining how that benchmarking is going to be undertaken.

One of the things that OPG is doing is trying to find ways of always more effectively managing its business and its business operations. I know that they work very extensively with the labour organizations, such as the power workers and other labour organizations in the enterprise across the board, and look for ways to run things more efficiently and more effectively, obviously at less cost for the enterprise, because that reflects and benefits the ratepayers, families and businesses throughout the province of Ontario.

With respect to the various cost-cutting and cost-saving initiatives, we'll see if some of those were spoken to in the financial statements. I suspect they were, because they are usually highlighted in notes or otherwise. I can tell you that OPG has reduced its operations and maintenance administration costs by 8% over the last year; reduced staff by 500. They're in the midst of a business transformation that will help the company prepare for the future, and they anticipate further layoffs—it's not specified by a labour organization or whether these are management or non-management individuals—of about 1,000 workers.

1740

I know that it's always difficult when an enterprise reduces the number of its workers—always challenging and difficult—but it's part of the approach that businesses make almost universally, or need to make, and that OPG makes because of the types of questions that we get asked by you and your colleagues and your leader from time to time about what we are doing to help manage the cost of electricity at our homes and businesses in the province of Ontario.

Ms. Cindy Forster: I'd like to move on to smart meters now.

Hon. Christopher Bentley: Sure.

Ms. Cindy Forster: I'm assuming, and you can clarify it, that all but a handful of smart meters are installed across the province and hooked up, so I want to ask some questions about that. What is the total cost to date of setting up the smart meter program, including installation, hook-up, central data processing, local utility customer information system changes etc.?

Hon. Christopher Bentley: The local distribution companies are responsible for the smart meter implementation, and they've done a remarkably good job. They have procured, as I understand, and obtained the smart meters. They have installed the smart meters. They have taken some similar approaches and some different approaches in certain areas.

You're right: Almost every one of the, I believe, 4.7 million smart meters are installed in the province of Ontario, and almost every one of the 4.7 million or so customers are hooked up to smart meters—they're going to correct me if I've got the number wrong in about two seconds. And I think over the course of the next number of months, by the end of the year, we'll have every eligible household hooked up and running on the time-of-use smart meter approach.

The local distribution companies have made application through the Ontario Energy Board to recover the cost of implementation; it has varied between the distribution companies. We now have 78; I think we had, in the not-too-distant past, many more than that. There have been some consolidations.

I'm really excited about what the smart meter really is and really does. I know it has saved substantially funds that were paid by local distribution companies for the individual meter reading. It has provided some very good information with respect to use, time of use, place of use—I'm going to come right back to the number; I'll shorten this and come right back to the number—and it's also provided a database of information. The next step, really, is how to turn that information that has been collected, to the benefit of the families and the businesses throughout the province of Ontario. I've said before that it's a bit like having a hand-held telephone device without the instruction manual.

You asked me about the cost. The Ontario Energy Board has reported 94% deployment, and total smart metering expenditures were consistent with the original estimate of \$1 billion.

Ms. Cindy Forster: Okay. So what are the initial results from the program? Specifically, what percentage of all those hooked up are seeing their rates go down and what percentage have seen their rates go up?

Hon. Christopher Bentley: What the smart meter does is enable a time-of-use approach to cost to be administered. The generation that we have doesn't cost the same during the day; we pay extra at certain points, particularly in the days when we had to import electricity. You would pay a premium at the time you needed to import electricity, because the chances are, if Ontario

needs to import it, a lot of other jurisdictions to the south of us were looking for it at the same time, so you paid a premium for that. So what the time of use did was to reflect the cost of obtaining the power for homes, the cost of its generation, and to try to encourage people, where they could, not to use power at the highest demand times of day—reduce stress on the system, reduce the cost of the generation, flatten it out.

What the system also does is ask individuals to pay more accurately the cost of their own production. Now, what it provides is an opportunity, and you've alluded to this in your question, that quite a number of people have found—and it's very early days yet, so I don't have the accumulated data—very early days yet. Toronto Hydro, I understand, has reported that the early results were that people were able to save money and shift their use.

A number of discretionary uses of power provide people with the opportunity to shift from a high cost of time of use—the middle of the afternoon—to a low cost—say, 7 o'clock in the evening and beyond. It cuts the cost right now almost in half for that particular use—almost in half—not quite but almost. That's what the time of use does for the individual family and homeowner.

Now, there's a lot more that can be done there. I referred to the aggregated data, all the data that has been collected by these smart meters all across the province. That is a huge amount of information, and I see that as a great opportunity. As I say, it's the smart phone without the instruction manual.

How do you use the patterns of use, the time of use, and combine it with simple technology like thermostats and timers and empower either the homeowner, the community or businesses to use that information to either shift their use or reduce their use so that they minimize the bill? That's what you're going to be seeing over the next number of months. I'd say in the next six to eight months we're going to see a lot more information come out about that, and that will really accelerate or enhance the ability of the homeowner or business to start saving money by using the data and the time of use.

Already you'll probably know that there are some outfits out there that will help you track your use. As I recall, Lowfoot is an outfit that will go in, doesn't charge the homeowner anything, and will enable the homeowner to track their use, minimize their use and actually provide a little reward to the homeowner if they're reducing their use. It's an interesting incentive program. I'm quite confident that this information, use through the smart meters, is going to help the individual homeowners.

I won't speak just yet because you're anxious to ask me another question, I know, but I won't speak specifically about the system benefit that managing the power use through smart meters is giving to local distribution companies or the system itself. They avoid hot spots. They can identify breaks in the line better with the smart meters plus some smart grid technology, so those system benefits are huge. Lots of savings coming, and a better ability to manage the system so it doesn't wear out or have stress points.

Ms. Cindy Forster: Just to clarify: So there isn't any data collection at this point with respect to rates going up, rates going down percentage-wise?

Hon. Christopher Bentley: Across the province of Ontario, I don't have that. I know Toronto Hydro was—because they were one of the first ones in and hooked up. My community in London just hooked up about three months ago or so.

Ms. Cindy Forster: And have we seen any kind of shift out of peak hours because of the program?

Hon. Christopher Bentley: As I say, I don't have aggregated data, but the early reports are that people are shifting their use where they're able to, and why wouldn't you? If you have a discretionary use in the middle of the afternoon, whether it's dishwashing or laundry, and you're able to shift it to 7 in the evening, you're paying just about half the cost. So you should shift, and that's where the use of thermostats and timers—timers, sorry, not thermostats—will be particularly helpful in helping homeowners, and businesses, I think. It's the next great opportunity to better manage or shift their use.

Ms. Cindy Forster: Are there any reports available from the ministry at this point on some of the questions that I've asked that you could make available to the committee?

Hon. Christopher Bentley: I'll take a look at that. I'm not aware of them, but I'll take a look about reports.

Ms. Cindy Forster: Electricity demand: The North American Electric Reliability Corp. says electricity demand is expected to continue falling until at least 2022 and the government's LTE plan assumes electricity demand will start increasing post-2020. The OPA's original supply mix advice and IPSP are also seriously overestimating demand trends—up, not down. Committing to big, expensive nuclear projects at the same time that demand is falling will also contribute to an increase in the global adjustment costs, and even unneeded baseload supply.

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Can the government provide to the committee its latest long-term demand projections?

Hon. Christopher Bentley: Thank you for that. There are just one or two simple concepts in the question. I appreciate that.

One of the things that our bill to amalgamate the Ontario Power Authority and the IESO was designed to address is embedded in the question that you ask. Bringing together the planning capacity and the forecasting capacity of the Ontario Power Authority with the IESO I think will enable us to better match and better forecast supply and demand in an economy, in a market, that is ever-changing. It is true that demand after the worldwide recession did not come back as quickly or in the same pattern as was forecast. Part of that, given, is related to the ability of business enterprises, larger users in particular, to use conservation initiatives to reduce their use or shift their use. So there is some of that. But trying to match and forecast supply and demand is going to require the best, and that's one of the reasons that we brought the different strands of planning authority together.

The next part of your question I think addressed, "Where are we going to be in 2020 or 2022, and what type of steps should we take today in order to make sure we are where we need to be?" Being where we need to be is important—really, really important.

I'll give you a little example. One of the challenges that we have from time to time is—we have enough generation. I'd say it's not a challenge; it's a good thing. We have enough generation because we worked very, very hard to make sure that we have enough generation, to make sure that we don't have brownouts, to make sure that we're not, at crucial periods, reliant on imports. In Texas, on August 22, 2010, they were paying \$1,000 a megawatt hour—a thousand bucks—to the deregulated producers of electricity. That's within Texas. In New York state today, I understand that the hourly price of the extra bit of electricity they needed—because it's pretty hot down there, just like it is up here—was \$1,650 a megawatt hour. That's what you defend yourself against when you make sure you have enough generation to meet the demand and you have the 20% buffer that's seen as an international reliability standard that we adhere to in North America.

So I know we're always being asked, "Don't forecast down the road. Don't take a look too far down the road to see whether you're going to need this," or, "Don't invest in a refurbishment of Darlington," or, "Don't bring this and that on," but nobody in this room wants to be paying \$1,650 per megawatt hour for the power we have to import. We'd be very poor very quickly. So the power forecasters have to make sure that we have enough, plus the 20% reliability factor.

What's the power consumption going to be in 2020 or 2024? Those are the questions we're asking now, because if we're going to have the generation, whether it's hydro, whether it's gas, whether it's renewables, whether it's nuclear, we have to make decisions today, or over the next several years. It's tricky to match, but if you don't match right, \$1,000, \$1,650—that's what happens on a hot day, and nobody can tell me we're not going to have another hot day between now and the end of the summer. That's the challenge that the forecasters are faced with. So putting these two forecasting groups together is going to help us.

We are confident that we're going to have enough power. We don't want to have a shortage. We're confident that we're going to have enough, and we're working very hard to make sure that we don't have so much that we have to get rid of it in some way. And we're going to be making these big decisions about further refurbishments and about new nuclear and other over the course of the next little while. I have no doubt that that might form the subject of a future question.

The Chair (Mr. Michael Prue): I don't have any doubts either, but it's not going to be today. The time, with the agreement of everyone—we're going to end in a minute or two. I can hear the music outside.

We are adjourned until tomorrow at approximately 3:45. We'll see everybody tomorrow. Meeting adjourned.

The committee adjourned at 1756.



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Mercredi 30 mai 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie



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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATES

Wednesday 30 May 2012

COMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Mercredi 30 mai 2012

The committee met at 1556 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Michael Prue): We will call the meeting to order. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of eight hours and 16 minutes remaining.

Before continuing, I understand, Mr. Harris, you have a point of order.

Mr. Michael Harris: Chair, just wanting to follow up with regard to Mr. Bisson's motion on summer sittings: Is there an update that we've received from the House leaders on that?

The Chair (Mr. Michael Prue): Just for the edification of the members who are here today, on Wednesday, May 2, 2012, I wrote to Mr. Milloy, the government House leader, with copies to Jim Wilson, the official opposition House leader, and Gilles Bisson, MPP, third party House leader, as well as to the deputy clerk, clerk of committees and to Ms. Quioc Lim. The letter read as follows:

"On Tuesday, May 1, 2012, the Standing Committee on Estimates authorized me to write to the House leaders regarding the committee's meeting schedule. In particular, I am writing to request permission for the Standing Committee on Estimates to meet during the summer adjournment at the call of the Chair in order to continue its review of the 2012-13 estimates.

"We would therefore respectfully request that a motion be presented to the House to authorize the committee to meet during the forthcoming summer adjournment.

"We appreciate your consideration of our request," signed by me as Chair.

To this point, I have not heard.

Mr. Michael Harris: Okay. Could we possibly ask for an update or send a reminder letter, perhaps—

The Chair (Mr. Michael Prue): Are you moving that we send a reminder letter?

Mr. Michael Harris: Sure, then. Absolutely.

The Chair (Mr. Michael Prue): If you're just seeking unanimous consent—

Mr. Michael Harris: Unanimous consent, yes.

The Chair (Mr. Michael Prue): There is a request for unanimous consent to send a follow-up letter.

Mr. David Zimmer: You've been around here longer than I have, Michael, but I've been here nine years. What

do the House leaders usually do with these requests to sit in the summer? Because there are some other committees that I'm sitting on too, and they're thinking of asking to sit in the summer. What typically happens here?

The Chair (Mr. Michael Prue): It is entirely up to the House leaders whether this is allowed or not allowed. The decision is made jointly. Any committee can request that and this committee did, because we have to have 90 hours of hearings before November. We have struggled since the beginning and we are now closing in on seven hours of our 90 hours after all these weeks. It will be almost impossible, at this point, for us to complete our work unless there are some summer sessions.

Mr. David Zimmer: Is the House leaders' decision final or can you go back to the Legislature—

The Chair (Mr. Michael Prue): The House leaders jointly make the decision. There is a motion to the Legislature. They make a recommendation jointly to the Legislature. The House decides.

Mr. David Zimmer: And if the committee is not happy with the House leaders' decision, is there any other recourse?

The Chair (Mr. Michael Prue): No, it's up to the House. But that's the procedure we have followed in the past: to go to the House leaders, the three of them, and to ask them to come to a conclusion and authorize summer sittings.

Mr. David Zimmer: No, but I say, if the House leaders say X, can that decision, in effect, be taken to the full legislative chamber?

The Chair (Mr. Michael Prue): It does. That's where it goes.

Mr. David Zimmer: And can they change it?

The Chair (Mr. Michael Prue): Yes, and I am not mindful that this has ever happened in my lifetime.

Mr. David Zimmer: Yeah. That's what I was getting at. So they rubber-stamp—

The Chair (Mr. Michael Prue): The Legislature is supreme.

Mr. David Zimmer: In theory, they could tell the House leaders, "We don't agree."

The Chair (Mr. Michael Prue): In theory, they could do many things. I am not sure whether that has ever happened—

Mr. David Zimmer: Ah, okay.

The Chair (Mr. Michael Prue):—when there has been a motion of combined House leaders to do something where that did not happen, but it could.

Mr. David Zimmer: Okay. I was trying to figure that out. Thank you, Chair.

The Chair (Mr. Michael Prue): We have a request for unanimous consent to send a follow-up letter. Is it agreed? Agreed. That will be sent following the meeting today.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): When this committee adjourned at the last meeting, the third party had finished its 20-minute turn. It is now the turn of the government, followed by the official opposition and back to the NDP. Each will have 20 minutes. It's now the government's turn for 20 minutes.

Mr. Grant Crack: Thank you, Mr. Chair. My question to the minister: During the last election campaign, there was a lot of discussion about hydro bills and, more specifically, about the debt retirement charge that is a component of the bill. There were claims made by certain candidates, specifically from one party, that the debt had been paid off.

I obviously did a lot of research during the campaign, and it was determined through the Ontario Electricity Financial Corp. that that in fact is not the case. So I'm just asking if you could provide us with some details regarding both the stranded debt and the residual stranded debt that resulted from the restructuring of the former Ontario Hydro back in 1999, and perhaps also if you could just tell us about how artificially freezing the rates affected this debt.

Hon. Christopher Bentley: Thank you very much. That's an important question because it's an issue that appears on the bills of consumers. Many people may be interested not only in the fact that it's there; they'd be interested in what it represents and how it came about. In just a second, I'm going to turn it over to the deputy and ask the deputy to take us from the creation of this line item through a little bit of history and bring us up to date with respect to it.

But you're quite right, generally speaking: The item that we see on the bill was created when the previous government introduced legislation and effectively broke up Ontario Hydro. They broke it up into a number of different entities, two of which, Hydro One and Ontario Power Generation, were to be run on a commercial basis.

The question then was, what to do with the debt of the old Ontario Hydro? It's out of that beginning that this debt retirement charge appeared on the bill. There is a rather long, very important story, but a significant one I think, that consumers would like to know about, and so maybe for a little bit of the history and to follow from its creation till now I'd turn to the deputy, if I could.

Mr. Serge Imbrogno: Thank you, Minister. I'll just continue where the minister started in terms of the restructuring of the former Ontario Hydro.

The stranded debt and the residual stranded debt arose out of that electricity restructuring that took place back on April 1, 1999. It was part of the Electricity Act, 1998. Just a little history on the old Ontario Hydro: It was a vertically integrated monopoly, so it basically set its own rates to recover all its costs. If costs went up, it increased rates. That's how the old monopoly ran back in the old Ontario Hydro days.

In 1999, Ontario Hydro was restructured, and I think three major changes took place at the time. One, as the minister already mentioned, is that the old Ontario Hydro was broken up into successor corporations. There was an introduction of an open and competitive market. There was also the commercialization of Ontario Power Generation and Hydro One, and the province became the sole shareholder of those two companies. I'll just step through each of those important pieces to give you a bit more context.

As part of the restructuring, all of the generation assets of the former Ontario Hydro were transferred to Ontario Power Generation. All the transmission and distribution assets of the old Ontario Hydro were transferred to Hydro One. The Independent Electricity System Operator received all the central market operations of the former Ontario Hydro. The Electrical Safety Authority really evolved from the old Ontario Hydro's electrical inspection division. Then, finally, the Ontario Electricity Financial Corp. is really the legal continuation of the old Ontario Hydro, and it kept all the debt and liabilities that couldn't be transferred to any of the successor companies. So that was the first major change that happened back in 1999.

The second major change was the introduction of an open and competitive electricity market. In this new market, Ontario Power Generation could no longer set its rates. There was a market; the market determined the price of electricity. Whatever that price was is what Ontario Power Generation received. That's dissimilar to what the old Ontario Hydro did, where it just set the rates to recover its costs. Hydro One became regulated by the Ontario Energy Board, so the OEB, going forward, set the rate for Hydro One transmission and distribution. So in effect, the old Ontario Hydro successor companies now became price-takers in this new market structure.

Because now they are price-takers of a price of electricity that was set in the open market, the value of the underlying assets of Ontario Hydro was reduced. What happened at the time is that we brought in external experts to value the assets based on this new market structure. So CIBC World Markets and Goldman Sachs at the time were brought in as independent third party advisers to say what is the value of these new assets in this new market. When they did their determination based on their forecast of where they thought electricity prices were going, they came to a valuation of \$17.2 billion for the old Ontario Hydro assets that were now part of these new successor companies.

The assets were valued at that \$17.2 billion, but the old Ontario Hydro had accumulated debt over the course of its existence. At the time, on April 1, 1999, it had

accumulated debt of \$38.1 billion. That had several components to it. There was a provincially guaranteed debt that was part of that \$38.1 billion. There were also contracts called non-utility generator contracts that the old Ontario Hydro signed with various private generators, and they had a fixed-price contract. So when the new market was introduced, the price in the market was a lot lower than their fixed-price contracts, so there was a difference, and that became part of the liability as well.

There was also a \$2.3-billion liability related to unfunded nuclear liabilities. The old Ontario Hydro never put aside funds into segregated funds; they basically made an accounting provision. At the time of the restructuring, there was no money available, so that became part of the total debt and liabilities of the old Ontario Hydro.

So when you take all the debt and liabilities of \$38.1 billion and you subtract from that the value of the assets, the \$17.2 billion, that leaves you with the stranded debt of \$20.9 billion. So the total debt and liabilities less the value of the new companies gives you the stranded debt of the old Ontario Hydro. So that's one of the important components that we talk about.

I think to get to residual stranded debt, you have to understand the next part, that third major part of the restructuring, which was the commercialization of Ontario Power Generation and Hydro One. What the government of the day decided to do was to commercialize those two companies, which means you provide the companies with commercial capital structures. The way the province did that was through a debt-for-equity swap with Hydro One and OPG.

I mentioned that OPG received all the generation assets of the old Ontario Hydro. Part of their valuation from that \$17.2 billion was \$8.5 billion; that was what the generation assets were valued at. The commercial capital structure for OPG was to be 60% equity and 40% debt. So that would be a \$3.4-billion debt and a \$5.1-billion equity.

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For Hydro One, that received all the transmission distribution assets, it had a different capital structure because it was regulated and less risky, so it had 60% debt, which gave you \$4.8 billion in debt and 40% equity, so \$3.8 billion in total equity.

That was the commercial structure, but the companies needed an infusion of equity, so what the province did was it assumed the equivalent amount of debt from the OEFC in exchange for the equity of the two companies. The province, in effect, became the sole shareholders, and it makes a payment each year to the OEFC of interest on that debt that it assumed for the debt-for-equity swap. So it makes a \$520-million payment to the OEFC as part of its sole-shareholder ownership of these two commercial companies.

The other part of commercializing the companies was to put them on a payments-in-lieu-of regime that mimicked what they'd actually pay if they were subject to the Income Tax Act; that was part of the commercialization. So the companies made payments in lieu of

taxes, and those payments in lieu of taxes were dedicated to the Ontario Electricity Financial Corp., and that was used to pay down the old Ontario Hydro stranded debt. It was really a closed system that was put in place so that all the revenues that were generated from the electricity sector would be devoted to the Ontario Electricity Financial Corp. as a way of paying down that stranded debt. Those dedicated revenues that go directly to the OEFC include the payments in lieu of taxes from Ontario Power Generation; it includes the payments in lieu of taxes from Hydro One; it includes payments in lieu of taxes from municipal electric utilities. There's also a component called electricity dedicated income, which is the combined net income of OPG and Hydro One above the \$520-million interest payment that the province makes. So, in effect, the province, through one form or another, devotes all the net income of OPG and Hydro One to the OEFC to pay down the stranded debt.

When you do that calculation of what is the value of those dedicated revenues over a forecast period of time and you present-value those back—when you did that calculation back on April 1, 1999, the total of those dedicated revenues was \$13.1 billion. So OEFC had the stranded debt of \$20.9 billion. The government, through dedicating all their revenues to the OEFC, was able to come up with \$13.1 billion, so that meant there was a residual stranded debt of \$7.8 billion. That's the distinction between the stranded debt and the residual stranded debt.

A couple of things to note are, first, the residual stranded debt is not a one-time calculation, because each year you've got to forecast where the dedicated revenues are going to be going forward, so each year the residual stranded debt calculation will change, as does the stranded debt calculation.

The other thing is that the Electricity Act says that as long as there is residual stranded debt, you can put a charge on ratepayers of 0.7 cents per kilowatt hour, and that's the debt retirement charge. So as long as there is residual stranded debt, you can charge the 0.7 cents, and that 0.7 cents goes to the OEFC, the Ontario Electricity Financial Corp., to pay down the debt and liabilities of the corporation. That's an important component of it.

In terms of the progress on paying down the residual stranded debt, there are two parts to that.

One is what progress you have made on paying down the stranded debt each year, and that would contribute to the calculation. The other part of it is, what is your forecast of the revenues going forward and how does that change? Because those revenues—for example, payments in lieu of tax—mimic the federal Income Tax Act, and if tax rates go down, the payments in lieu go down, or they could go up, depending on how tax rates change. The performance of the companies can go up or down, and that affects the future dedicated revenues as well. Both of those things go into the determination of the residual stranded debt and how successful you are at paying it down.

The Ministry of Finance put out a bulletin or a news release on May 15 that provides a helpful tracking of

where the residual stranded debt has progressed from 1999 to the present. If you look at the graphic that they have, you start with a residual stranded debt of \$7.8 billion, then it moves up to \$11.9 billion in 2004, and it's forecast to come down to \$3.6 billion in 2013.

I think you were asking why that has changed, or what has gone into the increase in the residual stranded debt and the decline. As you go from 1999 to 2004, there wasn't a lot of progress on paying down the stranded debt itself. In fact, after 2002, when the market opened to competition, shortly after that there was a spike in electricity prices during the summer. The government of the day decided to put a freeze on prices. They basically closed the market and put on a 4.3-cent price freeze. The difference between the 4.3-cent price freeze and the actual cost of the electricity was paid for through the Ontario Electricity Financial Corp. That was about \$1 billion of additional cost to the OEFC, so that actually added to the stranded debt. That is part of the reason why you see this increase in the residual stranded debt as well.

The other part of the spike in the residual stranded debt was a change in the forecast of how OPG would be doing over that forecast period. With regulation coming in, there was a more stable revenue stream for OPG, but lower than what they had forecast in the market with those high prices. Those two factors combined led to an increase in the residual stranded debt to \$11.9 billion.

Subsequent to that, changes were put in place in terms of removing the price freeze. There was a pass-through of all those non-utility generator costs; there was rate stabilization for OPG through regulation that stabilized the revenue coming into the OEFC. After 2004, there has been a steady pay-down of the stranded debt and also a steady pay-down of the residual stranded debt, to the point where we were at \$5.8 billion in 2011, forecast to go down to \$3.8 billion in 2013.

Mr. Grant Crack: Good. Thank you very much. With the balance of, say, \$3.6 billion that you're talking about, perhaps through the minister or yourself, Deputy: With the forecasts that have been made with OPG and current rates with the debt retirement charge, when can we expect, perhaps, that the debt would be paid off in full?

Mr. Serge Imbrogno: It's a difficult thing to forecast, because you do have to look forward and say, "What do you think the performance of the companies is going to be? How much payments in lieu of tax do you think you're going to receive? How much payments in lieu of tax will you receive from the municipal electric utilities?" When the Ontario Electricity Financial Corp. provides an estimate of a date, it provides a range. The latest range in the OEFC annual report is between 2015 and 2018, when it believes the residual stranded debt would be zero. When the residual stranded debt is zero, then the debt retirement charge can be taken off the consumers' bills. So it is a range at this point because of the uncertainty of making that forecast.

Mr. Grant Crack: What would happen to the residual stranded debt if OPG and/or Hydro One were privatized—in the event that that occurred?

Mr. Serge Imbrogno: One of the implications of that, because of the dedication of those electricity sector dedicated revenues to the OEFC to pay down the stranded debt—part of what we have now is, because Hydro One and OPG are 100% owned by the province, they don't actually pay federal income tax. We impose a payments-in-lieu regime as if they were paying federal tax, but we collect all those revenues to help pay down the stranded debt. So two thirds of those revenues represent the federal portion of the tax.

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If you actually privatize the companies and they were in the private market, they'd be paying real taxes. So one third of what we get now would come as real provincial taxes, but two thirds would go to the federal government, which means that there would be a shortage of revenues coming into the Ontario Electricity Financial Corp. And you would have to extend the defeasance date, so the date that you can end the debt retirement charge would be pushed out, depending on which company you sell and other factors. But the net effect—

The Chair (Mr. Michael Prue): I'm going to stop you right there because your 20 minutes are up.

We're off to the Conservatives.

Mr. Michael Harris: Minister, quickly, to lead off, with respect to our motion two weeks ago with regard to tabling the documents that the committee has requested, would you be able to inform the committee as to when you expect to be tabling those documents?

Hon. Christopher Bentley: Thank you very much, and it is an important issue. I understand that our response will be tabled with the clerk on or about 4:30 today.

Mr. Michael Harris: Okay, thank you.

In December 2011, the Auditor General called on your government and your agency, the Ontario Power Authority, to conduct a cost-benefit assessment of the FIT program in order to strike a balance between the promotion of green energy and the price of electricity in Ontario. I guess my question actually is for the deputy. Was there in fact a cost-benefit assessment done on the Green Energy Act before it was passed into law?

Hon. Christopher Bentley: Sorry, just so I understand: Is the question about whether there has been a cost-benefit study done since you say that the auditor made this recommendation?

Mr. Michael Harris: Well, I'll ask both. Was there a cost-benefit assessment done prior to the Green Energy Act being passed into law? And that was actually for the deputy.

Hon. Christopher Bentley: Well, I appreciate that. As you know, the green energy and economy act was a piece of legislation. It was introduced in the House and was the subject of very extensive debate. My recollection is that it was a subject of a number of committee hearings and it was subject to further debate—the subject of a lot of public input about what it was and what it wasn't.

There were a number of different good pieces of advice, including the fact that there are 80-plus juris-

dictions around the world that have feed-in tariff programs, ours being distinguished by the fact that there is a specific requirement that a certain percentage of each renewable energy project actually consist of Ontario and Ontario-made components, products and inputs.

So there was a very extensive period of consultation and study in the lead-up to the green energy and economy act being introduced. As you heard the other day, the whole green energy and economy act has been the subject of a very extensive review, and as a result of the review, the top-end prices have been reduced about 30% for some of the individual projects.

Mr. Michael Harris: So, Minister, with all due respect, basically there was not a cost-benefit assessment done prior, then. Is that what I'm hearing? Just a simple yes or no, I guess.

Hon. Christopher Bentley: I just want to be clear on whether we're asking and what type of cost-benefit study—costing what and to what benefit? Because—

Mr. Michael Harris: I guess I'll go back to, initially—if there wasn't one done prior to the act, the Auditor General in fact called on your government to provide one. So, after that was done, did your government in fact—

Hon. Christopher Bentley: Would you mind just taking me to the page in the report where the auditor—

Mr. Michael Harris: Well, I'll have to pull that out, but it was in his report in December 2011, so—

Hon. Christopher Bentley: Well, I just have a copy here—

Mr. Michael Harris: Was there a cost-benefit assessment done on the Green Energy Act after his recommendations?

Hon. Christopher Bentley: So I guess—you know, I appreciate—

Mr. David Zimmer: A point of—

The Chair (Mr. Michael Prue): Do you have a point of order?

Mr. David Zimmer: Well, I—yes.

The Chair (Mr. Michael Prue): Because, otherwise, you can't interrupt the speaker.

Mr. David Zimmer: Well, look, the minister has asked for a couple of minutes. He has got to track down what the reference is so he can give an intelligent and thoughtful answer.

The Chair (Mr. Michael Prue): He has asked for that, and what usually happens is, someone in the staff behind looks for it, and he goes on to the next question and comes back to it. I would assume that is what's happening here.

Mr. David Zimmer: Okay. Is the staff looking, or do you have it over there, Mr. Harris?

Mr. Michael Harris: I'll move on. I'll get that page—

The Chair (Mr. Michael Prue): Or, if the minister can't get it today, he occasionally says, "I'll bring it on the next occasion."

Mr. Michael Harris: Yes. Perhaps I'll get that page number and we'll come back to that line of questioning.

Keeping on the theme of the Auditor General, his finding was that for every green job Ontario has created,

another two to four jobs have been lost in other industries. I guess I'll go back again, hopefully, to the deputy. Do you in fact agree with the Auditor General with regard to this statement?

Hon. Christopher Bentley: Well, let me just add to the previous conversation, because I don't think I turned the corner on that one. As I recall the auditor's recommendation with respect to a cost-benefit analysis, it's that one be done, so he was speaking about one be done on it, and in fact we were able to receive that recommendation—it's always very helpful to have the recommendations—in the midst of doing a very extensive review of the green energy and economy act.

With respect to the second one, you actually have asked about a part of the Auditor General's report that I was asked of by one of your colleagues just the other day, and so maybe for consistency I can continue with the question, because I did spend some considerable period of time answering the question that was posed, which was about a specific reference in the Auditor General's report. It probably would be helpful if we had a specific page reference, but I think I know what you're referring to.

There are quite a number of studies, as I recall saying the other day. Some were highlighted in that by the Auditor General—quite a number. But what I think is important with respect to those studies is to recognize that, of course, energy is one of a number of input costs for businesses. Some use a lot of energy as a proportion of their input costs or their costs of doing business, and some don't. What we have worked very hard on over the past number of years in particular is to make sure that the cost of doing business is taken into account and, wherever possible, mitigated, managed or reduced. So, for example, as I recall, I specifically made reference to the introduction of the HST as a way of reducing the cost of doing business for those businesses such as a manufacturing outfit that was seeking to export a significant or some portion of its product, because then it would not have to pay the provincial sales tax at every step of the production process but in fact could collapse it to the end, which is why the federal government introduced the GST, and it's still there—one of the main reasons. So we've done that. We harmonized the collection of corporate taxes several years ago, saving the compliance costs. The HST itself harmonized the collection of the sales taxes, saving those.

Of course, with respect to energy, energy around the world is going up. In the province of Ontario, we've taken a number of steps to try and manage those costs. One is the introduction of the northern industrial electrical rate program, which takes \$20 a megawatt hour off the cost of energy for northern businesses. Another is the demand-response initiative so that those businesses, 150 top users in the province, are able to reduce their energy bill as long as they reduce peak demand.

And in the cost-benefit analysis, of course, we're not having to spend as much money today for coal-related illnesses in the—

Mr. Michael Harris: Minister, you mentioned that there was a cost-benefit analysis done, so will you be able to table that, in fact?

Hon. Christopher Bentley: What I said was that we were taking into consideration, in assessing the cost-benefit of doing different things, that there are a number of input costs for business, of which energy is one, but, for example, the tax burden that businesses and residences have to pay for the coal-induced health care results, which were assessed at about \$4.4 billion through an independent study, is not that burden today because we have reduced coal use from the 25% it was in 2003 down to less than 5% today.

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I think my broader point is simply this: In assessing business competitiveness, you have to look at the package of inputs. The package of inputs is something we've been very focused on—are very focused on the cost of energy, of course. It is one of a number of inputs, and we'll be continuing to focus on it. When you look at different issues and look at business competitiveness, you really need to take consideration of the entire—

Mr. Michael Harris: So at the end of the day, though, there was really no cost-benefit assessment done prior to the implementation of the Green Energy Act. Just “no,” then, right?

Hon. Christopher Bentley: I think there are lots of considerations with respect to whether you should or shouldn't introduce a piece of legislation—its effect on the cost of energy. But again, the cost of energy has to be seen and considered in the totality of the circumstances.

One of the things that happened, and the deputy spoke a minute or two ago, to the residual stranded debt and the various accumulation of debt—one of the things that happened to the debt retirement charge after it was created in 1999-2000 is, it actually went up for a couple of years because the province, under the then government, artificially froze the price, but in fact the taxpayers—homeowners and businesses—were paying for that.

I think my point is, I appreciate you would like a yes or no from me on most things, but I think, to be fair to your question and to be fair to those who might wish to hear the question and the answer in totality, a much broader consideration of this complicated issue and area would be more helpful.

There are a number of inputs. There are a number of considerations in assessing whether something is going to add to the economic health and benefit of a particular region, and that's what we were doing in assessing the value of the green energy and economy act.

Mr. Michael Harris: All right. On my second question, I refer back again to the Auditor General. He had stated that for every green energy job Ontario has created, another two to four jobs have been lost in other industries. Do you agree with the Auditor General's assessment of that?

Hon. Christopher Bentley: I'm trying to be careful with your questions and careful with the answers. I know

you would appreciate that. I just want to take a minute or two and actually find the specific reference in the Auditor General's report, because my recollection is that the Auditor General was not talking about the experience in the province of Ontario. I want to be a little careful about that. I know that those who are watching would want me to be as careful as I can.

That's why what I asked before was that you be able to direct me to the specific reference, because I would not want to incorrectly quote or respond to something that the Auditor General never did say. My recollection, and somebody will help me with—

Interjection.

Hon. Christopher Bentley: I'm actually being assisted by the deputy, who tells me that the reference is on page 91. My recollection is—

Mr. Michael Harris: I believe it's page 97, perhaps.

Hon. Christopher Bentley: Thank you very much. You do have the page, and that's actually very helpful.

I'm looking at page 97. Can you tell me where?

Mr. Michael Harris: That would have been the first—that would have been back to the cost-benefit. I don't have the page number for the—but we can pull that up.

Hon. Christopher Bentley: I don't see it on page 97, but I know it exists in here, and gosh, I just wish we could put our finger on it.

My recollection is that, consistent with the question you asked me earlier and the question that I was asked by your colleague on the last occasion, the reference by the Auditor General was not to the experience in the province of Ontario; the reference by the Auditor General was to some studies—and there are many—in different jurisdictions. Most of those jurisdictions, as I recall, do not have the requirement that we have with respect to renewable energy in the province of Ontario, where a substantial proportion of every project be constructed of made-in-Ontario parts by workers working in the province of Ontario. Those studies do not take into consideration, either, the health care costs, the tax changes we've made or the investments in education. Unlike the United States, for example, businesses enjoy free health care for their workers in the province of Ontario—a very important differentiation. The work that we have done with respect to a number of different input costs—

Interjection.

Hon. Christopher Bentley: Maybe that's the page number coming in—very, very significant in the efforts that we have made with respect to—

Interjection.

Hon. Christopher Bentley: My sources tell me it might be page 118.

There's a very different approach that we've taken with respect to it, and we always have to be mindful, as the Auditor General has indicated, of input costs. We always have to be mindful of the effect of any piece, any initiative in our legislation, and that's of course one of the reasons—being mindful of the effective things is why we

constantly look at ways of reducing input costs and the like.

Mr. Michael Harris: All right. Well, Thank you, Minister. Maybe we'll come back to a few of those when we get some more accurate information with regard to the page numbers. I'll pass it over to my colleague Vic Fedeli, who I know has got some good, pressing questions as well.

Mr. Victor Fedeli: Thank you. I'd like to talk about a government of Ontario press release that was issued in July 2011, so I'll go to the deputy, who was there at the time. Deputy, it says, "Green Energy Act Creates 20,000 Jobs." So can you tell us the criteria for determining what qualifies a job to be included in that 20,000 number?

Hon. Christopher Bentley: Thank you very much for the question. Actually, the deputy wasn't there at the time. I've actually been there longer than the deputy. The deputy was appointed—how many weeks have you been in the job now?

Mr. Serge Imbrogno: Since April 2.

Hon. Christopher Bentley: Since April 2. The deputy's been there since April 2, so I think if longevity is the requirement for answering the question, I, for better or worse, am probably the one who should bear the opportunity of answering the question.

Mr. Victor Fedeli: I'm looking forward to hearing the answer, then.

Hon. Christopher Bentley: Well, thank you very much. We have indicated that the green energy and economy act is going to produce, by our estimates, 50,000 jobs. Some of those jobs are direct; some of those jobs are indirect. That's methodology that has been used by the federal government and, I understand, the American government. The jobs calculations do not include induced jobs. Now, what do I mean by an "induced job"? An induced job would be: If you get a job, you're a worker, you have a job, and you have extra income; you go spend the income, and wherever you spend the income, they're going to benefit from that type of employment. We've not included those in the calculations. But there is a methodology that's applied fairly consistently across the federal government and the Ontario government in how additional investment, for example, in green energy projects will result in economic spinoffs in the province of Ontario and how that would be calculated to produce jobs—

Mr. Victor Fedeli: So is there somebody, Minister, who does that calculation?

Hon. Christopher Bentley: Well, I think the—sorry.
Interjection.

Hon. Christopher Bentley: They calculated the estimate based on a total of \$5 billion that would be invested in renewable distributed generation, conservation and the grid.

It's interesting, you know, because when I read this, that jobs estimate—if it's actually based on \$5 billion, which seems awfully low to me, we've already got \$27 billion that has been either made or committed to the province of Ontario through the green energy and econ-

omy act. That was at last calculation, and there's more coming in all the time, because I'm regularly approached with opportunities for further green energy investment.

Some of those would be part of the 30 manufacturing facilities that are set up in the province of Ontario. Some of those would be the investment, for example, in the solar or wind projects that would be invested in the province of Ontario. For example, whenever a solar project would go up, somebody's produced the panel, and now we require 60%—

Mr. Victor Fedeli: So you have some kind of documents or criteria—"methodology," I think you called it—

Hon. Christopher Bentley: There is an approach which takes a look, broadly speaking, but I'm not the one who does the calculation.

Mr. Victor Fedeli: Can you have the person who does the calculations table the documents that show us—and I don't want you to name the 20,000 people, but show us how you came up with the 20,000?

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Hon. Christopher Bentley: Well, that's helpful. Thank you very much. What I can do is outline the methodology by those who are better versed in the methodology, because they actually do it across the board, and probably provide you the references, if they exist, to the methodology used by the federal government of Canada, because it's their methodology, I think, that we've adopted in the province of Ontario.

Mr. Victor Fedeli: And does that 20,000 include the 16,000 announced for Samsung and their direct and indirect jobs?

Hon. Christopher Bentley: Well, the 50,000 would include—

The Chair (Mr. Michael Prue): I'm afraid you're going to have to think about that for a while, because the 20 minutes are now up. We'll get back to it the next time.

Mr. Tabuns, the floor is yours.

Mr. Peter Tabuns: Thank you, Mr. Prue. Good afternoon, Minister.

Hon. Christopher Bentley: Sorry, yes?

Mr. Peter Tabuns: Good afternoon.

Hon. Christopher Bentley: Good afternoon.

Mr. Peter Tabuns: Starting off with a numbers question, could you provide the following information—you may not be able to do it today, and I would take an undertaking: the OPA's total, cumulative, actual CDM, conservation and demand management, expenditures between 2006 and December 31, 2011? Now, I would understand that December 31, 2011, was not that far back in the past, so you may have to give us the forecast, but the expenditures in that period, question one.

And two—

Hon. Christopher Bentley: Can I just, before you go away—you've got a number of them, so I just want to make sure I know what I'm looking for. The CDM: You mean conservation and demand management?

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: And what do you mean by conservation and demand management expenditure? What exactly are you talking about?

Mr. Peter Tabuns: What was spent on programs for conservation and demand management.

Hon. Christopher Bentley: Okay, thank you.

Mr. Peter Tabuns: And secondly—

Hon. Christopher Bentley: Thank you very much for that. I'll take that back with me.

Mr. Peter Tabuns: That would be great.

Then the total actual or the forecast reduction in peak demand in megawatts and energy consumption in megawatt hours in 2011 as a result of the OPA's investment in conservation and demand management since 2006.

So I assume in the first question you'll tell me how much you've spent, and in the second you'll tell me what the impact was on actual consumption and demand.

Hon. Christopher Bentley: So I've got your questions. What I'll do is I'll go back and determine if this information is available and, if so, what, and then come back and report to you next time. You're not asking me to report before the end of the day, I don't think.

Mr. Peter Tabuns: End of the day would be fabulous.

Hon. Christopher Bentley: I said, "You're not asking me." I was half expecting that—

Mr. Peter Tabuns: No; if you were offering, I was willing to take.

Hon. Christopher Bentley: No, no, no. I thought I said, "You're not expecting me to report by the end of the day."

Mr. Peter Tabuns: No, and I am not.

Hon. Christopher Bentley: Thank you so much.

Mr. Peter Tabuns: But I would take it if you have it.

Hon. Christopher Bentley: Thank you very much.

Mr. Peter Tabuns: Thank you for that undertaking. Again—

Hon. Christopher Bentley: I'm going to take it back and see what exists.

Mr. Peter Tabuns: That's fine.

Again, under energy efficiency, it appears that the Ontario Power Authority won't achieve the near-term, long-term energy plan targets for energy efficiency. That's consistent with what the Environmental Commissioner of Ontario has to say in his assessment that came out in December of last year. Can you tell us why you're likely not going to meet those targets?

Hon. Christopher Bentley: Well, thank you very much. I do recall the Environmental Commissioner's report. It was a very good report, and I do believe—my recollection is that he made a number of complimentary comments about the efforts of the province of Ontario in terms of conservation. We have been—

Mr. Peter Tabuns: He also did refer to much of the effort as underwhelming.

Hon. Christopher Bentley: We have been very aggressive compared to most jurisdictions in terms of conservation. You'll recall that we sort of started from a standing start in 2003, because there weren't many programs then. We have been involved in a rather

significant effort, both residential and commercial, to not only identify opportunities to conserve but to make sure that residences, families and businesses know the benefits of conservation, because the benefits of conservation, of course, are not only that we protect the environment and reduce our use of scarce resources, but also save money rather significantly.

Mr. Peter Tabuns: I agree with all those things. Why is it that you're not making your targets?

Hon. Christopher Bentley: Well, I think we've come a long way. I think we're working hard and constantly looking for efforts to achieve. My recollection was that there was quite a bit of reference to our very aggressive targets—in fact, some of the more aggressive targets in North America.

Mr. Peter Tabuns: Well, you didn't meet them in 2010 and it doesn't look like you're going to meet the ones for 2015. Why aren't you meeting them?

Hon. Christopher Bentley: But I think, to be fair—what's the old phrase? One's reach should always exceed one's grasp. My recollection was that we have been acknowledged to have taken some very aggressive, bold steps and made some very aggressive and bold targets in terms of conservation; made some rather significant efforts—I think 1,750 megawatts already conserved as a result of conservation efforts.

Of course, the downturn in the economy did not help very much in terms of—if you have a robust economy—and we had no way of predicting that 2008-09 would see Ontario, as much of the rest of the world, visited with the worst economic recession since the 1930s. If the total demand goes down, then your opportunities to conserve are, of course, further reduced. That's a bit of a challenge in more ways than just worrying about conservation.

But as we see the various programs that you've referred to implemented, I think we're seeing some rather significant efforts, and we'll continue to look for ways to improve on conservation, do more. But I really do think, when you compare Ontario's efforts to the efforts of most other jurisdictions in North America, you'll see us as one of the leading jurisdictions, if not the leading jurisdiction in North America, not only in terms of target but in terms of achievement.

Mr. Peter Tabuns: So there is no answer as to why you're failing to meet your near-term targets.

Hon. Christopher Bentley: Well, I think—you know, maybe a little reference to the long-term energy plan—and I actually think I can refer you to page 38—

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: —the bottom paragraph, where it does acknowledge that the impacts of the global economic recession are not counted as part of conservation efforts, although they did result in a significant reduction in electricity demand. The recession also affected the level of participation in conservation programs, which, although successful, are not expected to allow Ontario to meet its 2010 interim—

Mr. Peter Tabuns: I see where the misunderstanding is, Minister. I'm talking about your go-forward, not your targets up to 2010.

Hon. Christopher Bentley: No, no, but I do appreciate—I think your question, to be fair, was, in part, a reference to the Environmental Commissioner's reference that we hadn't met our targets yet—

Mr. Peter Tabuns: But he's also saying that you won't meet your targets for the future, either.

Hon. Christopher Bentley: And you said, "Why not?"

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: And I think part of the answer is that in the quite unfortunate circumstance—very difficult for many families and businesses—when the world economic recession hit, there was a reduction in demand. That wasn't a one-year reduction in demand for a number of businesses, and that you don't count as conservation—gosh, no; never. But it did affect our ability to meet the interim targets and will affect our ability in the years to come.

That does not suggest—you've asked me a number of questions here about information about conservation, demand management and other reductions in peak demand. That does not suggest that we are not actively working to achieve those conservation targets and those reductions.

At the very bottom there—and I know you've referred to the long-term energy plan before. Maybe the last sentence is of some significance to you: "Had the global recession not had a significant impact on Ontario's economy, 2010 conservation achievements would have been significantly higher."

Mr. Peter Tabuns: I actually have been asking for the period 2010 to 2015. The Environmental Commissioner says that he is concerned that the local distribution company conservation targets will not be met; discouraged with lack of transparency in setting new province-wide targets. I asked you, why are you not going to meet your near-term targets for the plan you presented in 2010? I understand the argument for the targets before 2010. I don't have an answer—

Hon. Christopher Bentley: But I say respectfully—

Mr. Peter Tabuns: Minister, I will go on to my next question.

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Hon. Christopher Bentley: I appreciate you will, but I do say respectfully that we're not in 2015 yet. We're not quite out of 2012. In fact, my recollection is, we haven't met the halfway point in 2012, so I'm quite hopeful that we're going to make some very robust progress over the next while. We have a significant suite of programs that you've asked some questions about.

Mr. Peter Tabuns: Do you know why you're falling behind now?

Hon. Christopher Bentley: Well, as I said, the most significant reason with respect to what's happened from 2010 up to now is probably the effect of the worldwide recession.

Mr. Peter Tabuns: So nothing to do with your internal programming, nothing to do with execution, nothing to do with assessment and accountability?

Hon. Christopher Bentley: There are always ways to improve all of those things, and we'll constantly look for those ways, but I actually believe the efforts of local distribution companies have been significant across the province. Some of them are very good leaders. The efforts of businesses have been significant; the efforts of consumers, residences, households have been significant. You know, the fact of the matter is that the reduction in demand as a result of the worldwide economic recession was very large. It affected the world and not just Ontario.

So I don't think it's time—we always welcome encouragement, we welcome those who will ask us to do more and to redouble our efforts and more, but I do not believe it's time to suggest that something that's due for 2015 is overdue or not going to be achieved, and I look forward to reporting further on this in the future.

Mr. Peter Tabuns: Well, in fact, if that's an undertaking to report on the status of your performance to date on your targets, I would appreciate that undertaking being given by you.

Hon. Christopher Bentley: Well, I think you have the report. I said I looked—it's very difficult to report on a 2015 target when it's not 2015, and I think, to be fair, we really need to let some of the programs get out and to work. When you set a five-year target, 2010 to 2015, it means you've got five years to achieve it. These things are rarely linear. It takes time for programs to get out there, for the public to become aware, for the contracts to be negotiated, for the programs to be implemented and tweaked, and so you have a slow build and then you accelerate. I'm looking forward to the acceleration, which is natural with virtually any program conducted in government, or in business, for that matter.

Mr. Peter Tabuns: Minister, what's the analytical basis for the energy conservation targets in the long-term energy plan? Why were they set at the level they were set at?

Hon. Christopher Bentley: While I'll ask Sue to speak to that in a few minutes, I think it would be fair to say that they were very ambitious. You know, you can head off in a couple of different directions when you're a government: You can make very modest targets and then everybody can laud you for achieving them, or you can make very ambitious targets, which tends to stretch everybody's ability and make them think even more creatively about how to achieve those different targets. But in what specific aspect are you asking for the analytical basis—what approach was used in achieving them?

Mr. Peter Tabuns: On what basis did you decide, "This will be our target"? Was it the cost?

Hon. Christopher Bentley: Which—

Mr. Peter Tabuns: Long-term energy plan target.

Hon. Christopher Bentley: Okay. So maybe I could ask Assistant Deputy Minister Lo to speak to the approach that was used in coming up with a long-term energy plan conservation target. Maybe I'll start with the deputy, and you can turn it over, if that's okay.

Mr. Peter Tabuns: Just keep relaying the authority down the line. I'm fine with that, as long as it gets to the person who can give me the answers.

Ms. Sue Lo: Thank you for the question.

First of all, the long-term energy plan which was done back in 2010 had established very aggressive conservation targets, and the long-term energy plan takes us to 2030.

Mr. Peter Tabuns: Correct.

Ms. Sue Lo: So what happens is that the conservation targets that were set were 7,100 megawatts and 28 terawatt hours, and so that's basically the equivalent of taking 2.4 million homes off the grid. Interestingly enough, those targets are equivalent to half of all the expected growth in demand in Ontario, so it's really aggressive.

The way that it was set up, the Ministry of Energy worked together with the OPA and looked at how conservation programs could work and what could be achieved in terms of megawatts and terawatt hours. They also looked at demand-response programs to see what could work in terms of demand response.

We also looked at things like regulations—for instance, building code regulations—and appliance and product energy efficiency. In the longer run, what's expected to happen is that building codes and regulations and appliance energy efficiency will make up about half of the future demand savings.

Each of the programs, incentives, regulations, they all have their role. What we've done is set a 20-year target, and there are also, as you know, five-year interim targets. There's a budget that's been created for the programs that have been established.

In terms of the programs, a whole suite of save-on-energy programs was rolled out in 2011. In the beginning of 2011, there were programs to residences, to businesses, and to the industrial sector as well. The large majority of the programs were rolled out in 2011.

In terms of the building code, the last amendment to the building code places Ontario at the forefront of energy efficiency because homes that are built after 2011 will have a 35% increase in energy efficiency compared to those homes built before 2006. What's great with building code amendments is that they're built right in so that people don't even have to think about it. This is for houses, and it's also for businesses and industries. We figure the 2012 building code will save sufficient energy to power 380,000 homes, or equivalent to 250,000 cars off the road.

Mr. Peter Tabuns: Could I go back, Ms. Lo? When you were setting the targets for energy efficiency, were you looking at the cost per kilowatt hour invested to achieve that efficiency?

Ms. Sue Lo: Yes.

Mr. Peter Tabuns: What was your target cost per kilowatt hour for the targets that you've presented to us?

Ms. Sue Lo: The interesting—

Hon. Christopher Bentley: If you could speak to the approach, what was what the question is.

Ms. Sue Lo: Yes. The interesting thing is that Ontario places a very high priority on conservation. It's the first resource that we consider, because it's cost-effective, and programs that are not cost-effective don't proceed.

Mr. Peter Tabuns: I agree.

Ms. Sue Lo: So different programs will have different cost-benefit ratios, and—

Mr. Peter Tabuns: So in the aggregate, what is it going to cost per kilowatt hour saved?

Ms. Sue Lo: I'd have to get back to you on that.

Mr. Peter Tabuns: That would be fine. If I could find out what your calculation was for kilowatt hour saved in the course of these programs, that would help me. It would also be useful to know what your maximum cost would be for a saved kilowatt hour or a megawatt, and I'm sure you're familiar with the term. You've been around the business.

In the course of looking at the targets, did you look at how much savings you would get from reduced investment in transmission, distribution and generation? Did you have targets for that?

Hon. Christopher Bentley: You mean in assessing the savings from conservation, you want to know whether there was an analysis of how much—

Mr. Peter Tabuns: Reduced infrastructure. So if I spend \$1 million on conservation, and I avoid spending \$4 million on distribution, transmission and generation, it's a good deal.

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Hon. Christopher Bentley: Look, we'll take the question back and see what we can come up with—

Mr. Peter Tabuns: Don't go yet.

The Chair (Mr. Michael Prue): No, it's 15 seconds; you're going to have to take the question back.

Hon. Christopher Bentley: I'll have to take the question back. Thanks. It's, of course, always a bit of a challenge because it's difficult to know exactly which lines you're saving. If the line is going to Toronto-Danforth, the rest of the people in Toronto-Danforth still need the new line. So it's very difficult to actually suggest that you're saving something. You don't aggregate all the savings from the province to a particular line, but I'm going to take the question and the point back to see if there was any material that would be of assistance.

The Chair (Mr. Michael Prue): Okay, over to the government.

Mr. Reza Moridi: Thank you, Minister, for appearing before this committee. My questions are around conservation.

My first question is that I understand that you have set very aggressive targets to reduce the demand for electricity in the province of Ontario. How are you going to meet those targets? Could you please explain?

Hon. Christopher Bentley: Well, I very much appreciate the question, and you know what? What I think I might do on this particular question is pass it to the deputy, and the deputy can either answer or decide that others can answer, as he sees fit.

Mr. Serge Imbrogno: Since Sue has done such an eloquent job on conservation, I'll ask Sue to come up.

Ms. Sue Lo: Great.

Hon. Christopher Bentley: So you heard the question?

Ms. Sue Lo: Sure. Some of the answers that I previously gave are also applicable, so I don't want to be too repetitive, but I just wanted to get the gist of the question, because I have to take you back again to the long-term energy plan in terms of the government's plan until 2030.

Basically, the government recognizes that conservation plays a tremendously important role, and conservation delivers multiple benefits. The benefits would include deferring out the need to build out new generation, because conservation is always the first resource that's considered when we're looking at our supply needs.

The other thing with conservation that we forget about is that conservation creates and sustains local jobs. Conservation delivers immediate benefits to businesses and to homeowners in terms of energy use and energy bills. Really, conservation is the core of an environmentally sustainable energy system. In Ontario, it supports the shutdown of coal.

So the conservation targets, to repeat them, are 7,100 megawatts and 28 terawatt hours. That's a lot. That's 2.4 million houses off the grid, and that's equivalent to half of all of the growth in demand in Ontario. That's a huge slice for conservation.

In the long-term energy plan, we have the 20-year target and five-year interim targets. We understand that conservation works best when you have consumers that choose to conserve, and they become more energy-efficient. It applies across all sectors. Homeowners, businesses large and small, and institutions like universities, hospitals and schools—they can all partake in conservation efforts. We know that consumers need both information and the tools to take action, and that's where programs and incentives will come in. Conservation programs can build awareness; incentives can draw the individual to move toward energy-efficient products and appliances. Regulations are one of the other things that I talked about, because they can also influence how much energy someone is using in either the buildings that they live in or work in or what they're going to purchase. So each has a role—programs, incentives, regulations and demand response. They all play a key role.

In terms of conservation programs, we had rolled out, together with the OPA—the OPA works closely with LDCs—an entire suite of saveONenergy programs for the residential sector, for the commercial sector and for the industrial sector. Those programs were rolled out in 2011 and, because not all of them were rolled out in January and they came in all the way till mid-2011, much of the uptake is happening now. We expect that there's more momentum building as that suite of programs is rolled out—and the suite of programs didn't roll out for a single year because the conservation budgets were set for a four-year term; so 2011 to the end of 2014 is when those programs are applicable. So we expect more momentum, more uptake of these conservation programs as we move on.

One of the other things that I wanted to talk about that I didn't talk about previously in terms of conservation

was product standards. More efficient appliances, lights, air conditioners—they all contribute to energy savings.

As one example that everyone will understand, refrigerators are a really good example. I don't know whether people will know that new refrigerators use high-efficiency motors and compressors and better insulation, and they have improved heat exchangers. As a result, they use a staggering 70% less energy than refrigerators that were built in the 1970s. So 70% less energy represents a huge improvement: 225% in efficiency and a cost savings of about \$125 a year on the bill. That's really tremendous.

One of the other things that people don't recognize is that light bulbs, for example—the government had introduced a regulation in February banning inefficient incandescent light bulbs, and this starts by the end of 2013. The timing of this regulation is synchronized with the federal government. For instance, if a household replaces 10 of the old-fashioned incandescent, inefficient light bulbs with the new fluorescent compact lights, they can save about \$60 to \$70 a year in energy. If all households in Ontario changed out their light bulbs, it results in a staggering 466 megawatts to the province per year. That's really smart.

And 466 megawatts, in case people don't know what that is, is like a gas plant or a small nuke.

Mr. Reza Moridi: Thank you very much, Ms. Lo. This is very, very promising.

As you were talking about conservation, in relation to a homeowner, how much in total is this going to affect the homeowner's bill, say, per year if they follow these procedures in terms of changing the light bulbs and other measures, as you explained?

Ms. Sue Lo: I can explain many of the programs that apply to homeowners. For instance, programs that are targeted to residences are now easier than ever to apply for because one can go online and sign up for these programs. There's a wide range of opportunities, and I'll give you some examples.

Homeowners who need to update their heating or air conditioning systems can participate in what's called a saveONenergy heating or cooling incentive. They can receive up to \$650 back by installing Energy Star-qualified air conditioners or furnaces with high-efficiency motors. In addition to receiving the \$650 rebate, there's about a \$112 savings on an energy bill per year because of the new, improved air conditioning or motor that's attached to the furnace. If homeowners have old, inefficient appliances like refrigerators and freezers, for instance, they can have them picked up free of charge and these obsolete, inefficient appliances would be decommissioned properly in an environmentally responsible way. As I said, getting rid of that refrigerator could result in something like \$125 in savings on a bill.

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Then, in spring and fall, there are save-on-energy coupon events, and these are at retail outlets like big-box shops. One can take advantage of that. And there are instant in-store discounts on everything from light bulbs

to power bars to weather stripping to insulation and things like that. Ceiling fans are another thing that's covered.

There are many ways—we can endeavour to get you an entire list. They are listed on the OPA's website and mainly on every LDC's website now, because the programs are joined.

Mr. Reza Moridi: So there are significant savings to the homeowners if they follow, basically, these energy-saving procedures.

Ms. Sue Lo: Yes. Those are just the programs. There are other ones that they could sign up for as well, the peak-saver-type programs. A homeowner could sign up and have a peak-saver device attached to their air conditioner. What that does is it cycles the air conditioner on and off during peak times, when the demand is the highest. In aggregate, it really helps the entire system in Ontario manage its energy load.

Mr. Reza Moridi: In the area of the public sector, Ms. Lo, what has your ministry done in relation to conservation and reducing the demand in public sector clients?

Ms. Sue Lo: The public sector is a very interesting area because Ontario has worked very closely with the broader public sector organizations. I'm talking about the municipalities and the school boards, universities, colleges, social housing, for instance. We've been working closely with them through a regulation, and it's regulation 397/11, if you're interested. It has to do with conservation demand management and asking the broader public sector to take note of their energy use and to file demand management plans starting in July 2014.

Ontario is amongst a small group of leading jurisdictions when it comes to this because we're requiring energy consumption reporting, and the other jurisdictions are ones like, in the US, cities such as New York, San Francisco, Seattle, Washington. They require public and private sector buildings to report. In Canada, British Columbia also requires communities to report and prepare community energy and emissions inventories.

So this is new. It's just starting to become operationalized. The regulation was developed very closely with the Association of Municipalities of Ontario. It received very strong support from AMO. They in fact wrote to us and helped to move this regulation along, indicating that they really, really wanted to see this.

For municipalities, for example, each year they pay more than \$680 million for electricity. So what this regulation will do is it will help each and every entity understand how much electricity they're using and figure out how to conserve. The results will be posted online. So what's going to happen is that there's going to be a greater understanding but there's also going to be virtuous competition because they'll see what other municipalities are doing. You know, a hockey rink in one location will see what a hockey rink in another location might be doing, so there will be a best-in-class type of competition.

Then, for the public, the regulation would provide greater transparency because members of the public will

be able to go online and see how much their own municipality is doing and spending on energy. Then reductions in energy-related expenses would free up funding, and it could go back into other activities and public services. This is really something that is exciting. We think it's going to make a big difference. The municipalities have been very, very supportive in wanting to make this go ahead, so we're working closely with them now.

Mr. Reza Moridi: Ms. Lo, how is your ministry's conservation program helping the major users, large industrial users, of electricity to become more efficient in terms of energy use?

Hon. Christopher Bentley: I'll let you carry on.

Ms. Sue Lo: Large industrials are, of course, amongst some of the largest users in terms of the proportion of electricity by sector. The specific number is that they consume 30 terawatt hours, or about 20% of Ontario's total, in any one year. Their energy bills are in the order of \$2 billion a year.

We, of course, look at conservation programs for industrials very seriously. We want to help those industrials choose newer technologies and become more efficient and more competitive. The OPA and the LDCs offer two different suites of conservation programs to our industrial customers.

One of the programs—I think the minister has talked about it before—is something called the industrial accelerator program. That's a particular program that was open to industrials in about the late 2010 time frame. Really what it is—that targets the largest industrials in the province. There are about 50 or so very large industrials, and they're directly connected to the transmission system. These large companies—mainly they're large steel, pulp and paper, oil, those types of companies—use a lot of energy. What the program does is it provides attractive financial incentives to those industrials and it levers the industrials' own funding. It doesn't pay necessarily 100%, but it levers and pulls that industrial to make its own investments, too.

The investments are in modernizing the manufacturing processes and making equipment retrofits. Those are improvements that would make that industrial company more competitive for the future. There's an application process to the OPA. They're getting more and more interest.

There's also a strong value to ratepayers because—I think one of the questions before was: What is the cost-benefit of the programs? This particular program needs a cost-benefit ratio of at least 1.4. Anything that's one or greater is good. This one is about 1.4. This particular program is expected also to create some 5,500 jobs over the next several years.

The other suite of programs that are available to industrials that they do sign up for and have shown tremendous interest in is demand-response programs. Demand-response programs aim at decreasing electricity demand at its peak. That's a really good thing for the system. What happens is that the participants voluntarily sign up for this program; they voluntarily indicate that

they're going to shift their production or turn down their production during peak demand in return for some compensation. The demand response participants benefit financially because they do receive compensation, but the grid receives tremendous benefit because it avoids having huge spikes or having large demands being placed at the most critical time of when the energy is peaking. It's really a win-win.

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Mr. Reza Moridi: Thank you, Ms. Lo.

The Chair (Mr. Michael Prue): You have less than a minute, so be careful with your questions.

Mr. Reza Moridi: Okay, thanks.

With regard to businesses, what are your plans or what have you done to help them to reduce their demand for energy?

Hon. Christopher Bentley: Well, there are quite a number of business sizes, and we have less than a minute. I know Sue has spoken to a number of different ones, of course. For the smaller businesses, the clean energy benefit provided an opportunity. We've really concentrated a lot on making sure that we can improve business competitiveness with respect to the tax structure: reducing compliance costs, harmonizing the sales tax costs, harmonizing the collection of corporate taxes, which has a huge benefit to businesses, as well as reducing the business tax rate and the small business tax rate. These are all part of.

We're looking at energy costs and seeing what we can do over the course, beyond what has already been spoken to by Sue. There are a number—

The Chair (Mr. Michael Prue): And the time is up. You'll have to think of that question in the next round.

Hon. Christopher Bentley: We can pick it up the next time.

The Chair (Mr. Michael Prue): Pick it up again.

Before I go on to the Conservatives during the last round of questioning, documents have arrived for the committee, and I would like to ask the clerk to please distribute them to the members. These are related to the motion by Mr. Leone. We have two documents, one from the Ontario Power Authority dated May 30, 2012, and one from the Ministry of Energy dated the same date, May 30, 2012. If you would distribute those. Following the distribution, it will be the Conservatives' 20 minutes.

Mr. Grant Crack: Mr. Chair, could I ask a question while we're waiting?

The Chair (Mr. Michael Prue): Surely, yes, while we're waiting.

Mr. Grant Crack: I just wanted to ask a question. This was a Conservative question that they asked results for. The minute or two or three of distribution—I know it's a small amount of time. Would that not be allotted into their time frame?

The Chair (Mr. Michael Prue): No, this is not part of their time. This is not part of the questioning; this is part of the routine proceedings of any committee, so I don't think it's fair, because it wasn't just the Conservatives who voted for this document.

They have now been distributed, and that took less than a minute. I would now turn the floor over to the official opposition.

Mr. Victor Fedeli: We were talking, and I had asked a question about the Samsung 16,000 jobs, and you had answered that that will be part of the 50,000 jobs.

My next question would be—the 50,000 jobs are advertised to be in 2012—are we on target, then, to meet the 50,000 target in 2012?

Hon. Christopher Bentley: You're correct. We said that we would count 50,000 jobs by the end of 2012. My understanding is that we are still on target. A lot of projects—wind, solar, bio projects—that have been going through the renewable energy approvals process are nearing the conclusion of that process, and so orders are able to be placed, and those projects, I expect, will be constructed soon.

Mr. Victor Fedeli: In addition to the Samsung sole-source deal, were there any other concessions given to them, such as going to the front of the line, I call it—those are my own words—for transmission capacity, or any access concessions that we should know about?

Hon. Christopher Bentley: Well, I think most of the elements—I think there has been a lot of public discussion about the Samsung strategic investment in the province of Ontario, a lot of discussion about how they have committed to investing in the province of Ontario. They've committed to setting up for plants, manufacturing facilities, in the province of Ontario. They've committed to developing wind and solar projects to 2,500 megawatts in the province of Ontario.

Mr. Victor Fedeli: So the concessions, were they the front of the line on the transmission or—

Hon. Christopher Bentley: Well, we certainly, through our public statements, indicated that their investment is to develop renewable energy projects, and it's absolutely our intent to make sure that projects can be developed which can be connected. That would be important.

Mr. Victor Fedeli: So that's a yes, then?

Hon. Christopher Bentley: It would be important that any projects developed be able to be connected.

Mr. Victor Fedeli: Can you table any documents with respect to those front-of-line transmission agreements?

Hon. Christopher Bentley: I think these have been spoken to. I think the Samsung strategic investment has been spoken to on a number of different occasions, about the commitments that they've made, what they will be doing in exchange for the investment that's being made and the manufacturing facilities that will be constructed, of which there are three in existence already. We expect that they will be developing some renewable energy projects to be connected.

Mr. Victor Fedeli: So yes, there's a transmission deal, but no, we can't see it?

Hon. Christopher Bentley: Well, the elements, I think, of the Samsung strategic investment have been spoken to by the people of Ontario, and there's a fair bit of public information out there already.

Mr. Victor Fedeli: You call it strategic investment; we call it a sole-sourced sweetheart deal, but we won't quibble over words. Were the OPA or the OEB part of the team in doing that sweetheart deal?

Hon. Christopher Bentley: You might not quibble over words, but you would like to repeat the words.

Mr. Victor Fedeli: I wasn't quibbling over them; I was using them.

Hon. Christopher Bentley: I appreciate it. It is a strategic investment. The investment by Samsung is a very significant one and a very large one, Samsung being one of the largest corporations in the world. It was good to have them commit to invest in the province of Ontario, particularly when the commitment came in the depths of the worldwide recession, when nobody was really sure that investment money was going to move anywhere. Obviously, that investment, numbering in the billions, has resulted not only in already three manufacturing plants but also a number of different renewable energy projects that are moving along through the renewable energy process. It has already resulted in jobs and will result in quite a number of further jobs in the province of Ontario. I think it's a very important investment for Ontario, particularly given when it came.

Mr. Victor Fedeli: Thank you, Minister.

Mr. Rick Nicholls: Thank you, Minister, yesterday we had a discussion with regard to jobs, and I would like to continue along that discussion, if we may.

In February of this year, the National Post stated that the failure of green energy policies throughout Europe should in fact be a warning sign for Ontario. Again, yesterday you hailed the initiatives and progress from Germany. However, in this statement the German federal minister of economics and technology even called the cost of green power a threat to the economy and said that Germany has in fact started to move away from subsidies.

Now, Minister, you've held up European success with green energy as justification for your own experiments, and now that they're moving away from it, my question is actually twofold. Number one, why are you still forging ahead, because I'm wondering, can we not learn from the failures over in Germany and other European countries with their green energy? Secondly, do you have a list of non-green jobs that are leaving Ontario? The Auditor General's report did in fact state that for every one green energy job created there are anywhere from two to four jobs being lost. Of course, we know the impact that that has on business and the economy and of course our unemployment rates and so on.

Hon. Christopher Bentley: Thank you very much. You've asked some very significant and substantive questions, and you'll appreciate that I might give you the benefit of more than just a yes-or-no answer for some of the aspects of those questions.

Germany, of course—I've been very clear in my remarks. I have not adopted anybody's approach without question or reservation. I've been very clear throughout my time as Minister of Energy that we're developing a

unique made-in-Ontario approach. "Made in Ontario" may be an important phrase, because we do have a feature for our green energy approach that is different than many other jurisdictions—in fact, just about any other jurisdiction—because we actually require a substantial proportion of green energy projects, whether they're wind, solar or bio, to be constructed in Ontario by Ontario outfits using Ontario workers. That is a significant and distinguishing feature.

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Germany has been one of the countries that's been a leader in green energy. It's not surprising that they have been moving to reduce subsidies; we're moving to reduce them, and I'll address that in just a moment. Germany has been at it a few more years than we have; in fact, they've been at it for 20 years. I think my reference the other day was to the fact that Germany was just acknowledged as one of the world's largest solar producers, or producers of solar energy. I think that was the milestone that I was speaking to just the other day.

With respect to the approach and the experience elsewhere—and then I'll address the jobs aspect in a moment—I think it's important that we step back and remember what we're doing. We decided we wouldn't burn coal as a significant source of energy production in the province of Ontario. A previous government—your government—increased the use of coal; we've been working as hard as we can to get out of coal. It was 25% in 2003; it's less than 5% of our actual use now. We'll be out of it completely by the end of 2014. That has a huge health care benefit for Ontarians—already has, will continue to—and, related to that, a huge health care saving. We've already started that, and will be completed by the time we get out of coal. We were spending about \$4.4 billion, by one study, on health care and environmental costs directly related to the use of dirty air, and we know that burning coal creates dirty air, and dirty air makes people sick.

So renewable energy—one of those cleaner sources of energy assists us in getting off coal. We decided to do it in a made-in-Ontario way, so from the depths of the worldwide recession, when we were looking for investment and looking for jobs opportunities, what did we do? We said, "All right, we can use the green energy approach as a way of creating jobs in the province of Ontario."

Has it been successful? Absolutely. About 30 manufacturing facilities alone committed to, or are already, set up in the province of Ontario. You know that down your way, Chatham-Kent way, there have been a number of renewable energy projects set up over the years, and you know that not only do outfits from around the province supply those components—so made-in-Ontario components—but outfits, business outfits, in your area also participate in the actual construction of those different facilities.

Now, how are we going to continue that approach in the province of Ontario? We're going to continue to learn from the experience in other jurisdictions, and I think

that's very important. So when we conducted the green energy review, what did we say? We said that we would take a look at the experience in other jurisdictions and then determine whether we should continue in Ontario the same approach or just the approach for the province of Ontario.

One of the things that we heard was that the cost of components was going down, not only internationally but also in the province of Ontario, because we had developed, set up and were fostering a rather strong and significant manufacturing sector; not just the panels, the towers, the turbines—the blades, sorry—but also the different racking systems and connection systems in the province. So we were able, at the top end, to reduce prices by 30% for roof-mounted solar—a very substantial price reduction.

Now, you referred again to the Auditor General's comments. Again, the Auditor General was referring to some studies out there—there are many studies out there. He does not refer, specifically, to the experience in the province of Ontario, and I think that's very important, because we have a different approach with respect to the construction and completion of renewable energy projects and that experienced in other places around the world.

That different approach, as I say, has continued to encourage business investment in Ontario for green energy.

I would also say that green energy and a related clean-tech technology approach throughout the world is a huge economy. People ask me where the jobs of the future are going to come from. The world is going greener, and you want to be part of that. When you ask where the jobs in your riding or my riding or throughout the province of Ontario are going to go, clean green is one of the areas.

Mr. Rick Nicholls: We are seeing a substantial green energy program with the wind turbines up in our area, and of course that could enter us into some other concerns.

I guess my initial concern or question, Minister, was getting back to—you had mentioned that you're wanting to learn from other jurisdictions. We've pointed out, for example, Germany, who, by your admission, have been in place for over 20 years with green energy, but what they're saying and what in fact the federal minister of economics in Germany has claimed is that the actual cost of green power is becoming a threat to the economy, and of course we're concerned.

I know you've been talking considerably about the pluses of green energy. Again, though, what we're starting to see is the downside of green energy and the impact that it's having, especially on industry which is being forced to leave Ontario. That's our primary concern; hence, that's why I stated that, for every one green energy job, the statistics are telling us, two or four jobs are being lost. Those are two to four industrial jobs, manufacturing jobs, that are, in fact, being lost.

In Chatham-Kent-Essex, since 2003, when the major platform for your government in that time frame was environmental, we've lost over 10,000 manufacturing

jobs in that area. We're not seeing those jobs coming back. With the green energy plan that the government has initiated—and we will have close to 500 wind turbines just in the small area of Chatham-Kent. That's a huge concern because, despite the fact that it is creating some employment—by your statement yesterday you had indicated that the majority of those jobs could be considered temporary jobs, but if they're working on green energy, then that's creating a job for someone else perhaps who can take on a job that these individuals, the electricians or whoever, contractors, are doing with regard to wind energy.

I could challenge that because, again, my concern is, they would probably say, "We'll get to those other jobs when we can. We don't want to lose those, but we will, once we get these jobs done, push on." So, to me, it's not maybe a job; it's a project using the same people. The numbers could be challenged from our part.

Again, we're concerned primarily about looking at the negative impact that has gone on with regard to the green energy plan. Your party knows as well as we do that we think green energy is good. We think the act itself needs to be amended, and we need to realize and understand the fact that the energy plan needs to be reliable, sustainable and, most importantly, affordable. I'm sure that at some point in time we will be talking about affordability.

The other member from your team earlier had talked about various programs that were being offered to consumers who buy energy-smart appliances and so on. That's great. Those are great programs. It's a good thing, because the cost of energy is escalating to the point where, if they don't have those energy-smart appliances and those programs in place, it would just be totally unaffordable for Ontario families. We're starting to see that now and the impact that that is having, not only on our economy as a whole and the jobs, but also the impact that it's having on Ontario families.

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Hon. Christopher Bentley: Well, thank you very much for that question, I think.

Mr. Rick Nicholls: It was a statement in relation to maybe a question you may have had.

Hon. Christopher Bentley: Well, I appreciate that. I don't think you'd be suggesting that the jobs challenges in your region—

Mr. Rick Nicholls: No.

Hon. Christopher Bentley: —which have been very real, are the result of the Green Energy Act, because of course, as you would know, the green energy leadership that your region has shown has resulted in a significant amount of employment.

The costs that we've seen in energy prices in Ontario—and energy prices are going up throughout North America; there's nothing really new in that—have almost overwhelmingly been the result of improving the generation capacity that we had to do, because we didn't have enough in 2003 when we took over, and renewing and improving the transmission and distribution grid in the province of Ontario: 5,000 kilometres already; expanded

because it needed to be. It had not had the investment that it needed to have.

If you're looking specifically at jobs in your region, I think the southwest economic development fund, on a different file, is something you might want to consider, because I know the Chatham-Kent region would benefit very greatly from that. It's precisely the type of fund that can be highly leveraged by private investment, which I would have thought would have been attractive to you and others in your area, and I know—

Mr. Rick Nicholls: Minister, please. We don't want to get off topic. Minister, I'd like to interject there.

Hon. Christopher Bentley: Can I just—

Mr. Rick Nicholls: We don't want to get off topic too much. In the interests of time, we just have one more question for you, sir.

Hon. Christopher Bentley: Well, you referred—

Mr. Rick Nicholls: You're getting a bit off topic, and we want to keep the focus for the folks who are watching at home, you know, or in their office.

Hon. Christopher Bentley: I just wanted to come back to the reference to the German minister. I know, on a slightly different topic—you see, I would hesitate a little bit about quoting from the German approach to energy because I know on a slightly different topic, maybe the nuclear topic, that same minister might have said a few things with respect to nuclear reactors that your party at least might not necessarily agree with. So I think maybe—because Germany, of course, is committed to not proceeding with new nukes. So I just think, as we adopt the comments from different ministers in different circumstances, we'd want to be a little less than robust in the full adoption of what they have to say. But I think—

Mr. Rick Nicholls: I appreciate it, Minister. The southwest economic development fund is something that you mentioned earlier. We'll certainly stick around tomorrow and we'll talk more about that.

The Chair (Mr. Michael Prue): This discussion will continue on the next occasion. The last 20 minutes belong to Mr. Tabuns.

Mr. Peter Tabuns: Thank you, Chair.

Mr. David Zimmer: One question and one long answer.

Mr. Peter Tabuns: Thank you, Mr. Zimmer. Always helpful in these circumstances.

Insurance costs—

Hon. Christopher Bentley: Insurance costs.

Mr. Peter Tabuns: Yes. Can you tell us what you spend on insurance for the Lennox generating plant, the Thunder Bay generating plant, and what your insurance costs are per megawatt? And if you can't tell me that immediately, if you could commit to that, I would appreciate it.

Hon. Christopher Bentley: Okay. What kind of insurance costs—I'm just trying to understand the question.

Mr. Peter Tabuns: I assume you have liability insurance for those plants.

Hon. Christopher Bentley: Okay.

Mr. Peter Tabuns: Do you not? I was a city councillor previously. We had liability insurance for the city of Toronto and its operations.

Hon. Christopher Bentley: For the Thunder Bay plant—

Mr. Peter Tabuns: And the Lennox—

Hon. Christopher Bentley: The Lennox generating plant.

Mr. Peter Tabuns: And the Portlands Energy Centre.

Hon. Christopher Bentley: The Portlands Energy Centre.

Interjection.

Mr. Peter Tabuns: I've ignited the committee. What can I say?

Hon. Christopher Bentley: Sorry?

Mr. Peter Tabuns: I've ignited interest in the committee.

Hon. Christopher Bentley: Apparently.

Mr. Peter Tabuns: So liability insurance—

Hon. Christopher Bentley: So you want me to take a look at the insurance costs for those three particular facilities.

Mr. Peter Tabuns: Right. I'd like to know—

Interjection.

Hon. Christopher Bentley: Well, I think so.

Mr. Peter Tabuns: And I'd like to know what that works out to per megawatt hour installed.

Hon. Christopher Bentley: Per megawatt hour installed.

Mr. Peter Tabuns: Sorry, per megawatt installed. My apologies.

Hon. Christopher Bentley: Per megawatt installed.

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Okay. So I have your question. Thank you very much.

Mr. Peter Tabuns: And if you could also in that follow-up tell us generally the categories that the insurance covers, if we have liability, injury to people onsite, injury to people offsite etc. If you'll remember, the people in Oakville were very concerned about the gas-fired power plant that was proposed for Oakville—concerned about the potential risk to the community if there should be an explosion at the plant.

Hon. Christopher Bentley: Most of us would have insurance for different issues—you know, around the household we have insurance, just because it seems to be the prudent thing to do. Governments are sometimes a little different, so we'll certainly look into that. It doesn't mean that we're about to do any of those things or that any of those disasters are about to happen, but it's just the type of thing that you normally do, unless you're a government, and sometimes governments are self-insuring. So I'll take a look at that and find out what the particular issues are and see if there is some information there that I could share with you.

Mr. Peter Tabuns: And then, if you are self-insuring, I'd be very interested in knowing how much money is being set aside for that self-insurance and the calculation

on the potential liability that is seen for these installations.

Hon. Christopher Bentley: Thank you.

Mr. Peter Tabuns: Could you similarly tell us how much you're setting aside for liabilities or accidents at nuclear power plants in Ontario?

Hon. Christopher Bentley: Thank you for the question.

Mr. Peter Tabuns: Climate change: The Environmental Commissioner reported last year on climate change and climate adaptation, and he followed up on the report of the expert panel on adaptation, saying that the expert panel felt that a climate change risk assessment for the province-wide electricity grid was something that was urgent and that an assessment needed to be completed by the end of 2012. Has the Ministry of Energy acted on that?

Hon. Christopher Bentley: Well, thank you very much. You know, it's interesting that you speak about climate change and environmental effects in the context of the review of the estimates of the Ministry of Energy because, of course, when the then Leader of the Opposition, Dalton McGuinty, announced in the spring of 2003 that we were going to get out of coal, that was very much to address the bad health effects and the bad environmental effects of coal. We've made clear that we're going to shut down coal. I'm not entirely clear what the NDP position is; in fact, my recollection is that you were going to put coal units on standby. Now, I always worry about putting things on standby, because I—

Mr. Peter Tabuns: I just want to say we were going to put it on emergency standby—you're continuing to operate them and burn coal—and then shut them down in 2014. Just to make sure, Minister, that that message is very clear to the public—

Hon. Christopher Bentley: You actually have to get out of them. I think that's important.

Mr. Peter Tabuns: —because you're engaged in mischief there, Minister.

Hon. Christopher Bentley: No, no, no, no. You put them on standby—you can call it emergency standby, but if they're still there to operate—

Mr. Peter Tabuns: You're operating them now.

Hon. Christopher Bentley: —there's nothing to stop them.

Mr. Peter Tabuns: You are operating them now.

Hon. Christopher Bentley: You mean you'd shut them down and put all the workers out of work immediately—

Mr. Peter Tabuns: We said put them on emergency standby—

Hon. Christopher Bentley: —with no ability—

Mr. Peter Tabuns: —stop burning coal today, and then—

Hon. Christopher Bentley: So you would shut them down—

Mr. Peter Tabuns: —shut them down in 2014.

Hon. Christopher Bentley: —to make sure that there was no ability whatsoever to meet the power demand if they had to be used?

Mr. Peter Tabuns: That's why we said "emergency standby." You are running them today and burning coal.

Hon. Christopher Bentley: We're down to less than—

Mr. Peter Tabuns: But I will go back to my question, Minister, because you're diverting.

Hon. Christopher Bentley: We're down to less than 5% coal use.

Mr. Peter Tabuns: Yes. You are still burning coal.

Hon. Christopher Bentley: We're down to less than 5% coal use.

Mr. Peter Tabuns: You're still burning it.

Hon. Christopher Bentley: And most of those are situations where we need to balance the load.

Mr. Peter Tabuns: Minister, why don't you want to answer my question about, have you assessed—

Hon. Christopher Bentley: But I just think it's interesting.

Mr. Peter Tabuns: No, my question was preparation for adaptation to climate change.

Hon. Christopher Bentley: So what you will know with respect to climate change is that the largest climate change reduction in North America right now, or the largest greenhouse gas reduction initiative in North America right now, is getting out of coal. So I think—

Mr. Peter Tabuns: So, Minister, are you telling me you're not planning for adaptation for the system, that you haven't put together a plan?

Hon. Christopher Bentley: In the preface to your question, I think there should be some acknowledgement of the very important work that's being done by the government of Ontario right now in the effort to get out of coal. I'm sure that that would need to acknowledge some significant effort. In fact, most of the electricity we generate right now is from emissions-free sources, whether it's nuclear, whether it's wind, solar—

Mr. Peter Tabuns: Minister, do you or do you not have a plan in progress to deal with the impact of climate change on the grid?

1750

Hon. Christopher Bentley: The Minister of the Environment, I'm sure, would be the one who would want to speak more broadly to that particular issue.

Mr. Peter Tabuns: No, the Minister of Energy has responsibility for the energy system.

Hon. Christopher Bentley: Our rather significant contribution to climate change challenges in the province of Ontario has been the effort to get out of coal and to clean up the sources of generation that we have in the province of Ontario, and that's what we're doing.

Mr. Peter Tabuns: Minister, the panel that your government commissioned said that you needed to have a plan to deal with the impact of climate change on the grid that you as minister have responsibility for, and you needed it by the end of this year. I am asking: Is that plan in place, or is it being put together right now?

Hon. Christopher Bentley: So if what you're referring to is the effect that a warming environment or a changing environment or a—

Mr. Peter Tabuns: Climate change.

Hon. Christopher Bentley: —changes in the climate that is experienced in different areas will have on the grid, that goes back to the investment that's being made throughout the province of Ontario by Hydro One and the local distribution companies with respect to upgrading the grid, investing in the initiatives known as a smart grid, making sure that we replace old technology—poles and wires—distribution so that they are able to withstand some of the challenges that come with changes in climate. I know there has been a lot of investment in renewing and upgrading not only the grid, not only the related technology, but the transformer and other stations so that they are suitable to the needs and the demands of the times—

Mr. Peter Tabuns: Minister, you have no knowledge of this, do you? You have no knowledge of this matter whatsoever, do you?

Hon. Christopher Bentley: We're not speaking specifically about a—

Mr. Peter Tabuns: No.

Hon. Christopher Bentley: We're not working specifically on a plan as you outline it.

Mr. Peter Tabuns: You are not. So if you don't have a plan, when you're upgrading those transmission lines and the system, is it being done keeping in mind the new climate that we will be operating in over the next few decades?

Hon. Christopher Bentley: Well, of course it is. Of course it is, and that's what I was—

Mr. Peter Tabuns: Well, if it is, what standards are you using?

Hon. Christopher Bentley: But you don't—okay. So, as I said, we're upgrading the lines: very substantial investment in the lines; incorporating the new technology: very substantial investment in the technology. Of course, the people who are conducting the work, planning the work, are Hydro One and the local distribution companies, working with Ontario Power Generation, the experts that we've had in the field, who are, of course, aware of the challenges that the changes in climate present to the grid, to those working on the grid and to the system. That's one of the things that they look at all the time. When you have a day like you had—

Mr. Peter Tabuns: What is the program that they are operating from that tells them what the standard will have to be, given that we will increasingly have extreme heat events and we will see things like the ice storm in Quebec that left Montreal without power for weeks at a time? What are you doing, what is your ministry doing, to ensure that Ontarians are protected from changing climate?

Hon. Christopher Bentley: Well, that's what part of the work involves. When Hydro One and the local distribution companies and OPG conduct their—

Mr. Peter Tabuns: Do you have a plan?

Hon. Christopher Bentley: Hydro One, the local distribution companies and OPG are the ones that are best suited, and they are in the position to make sure that they are constantly upgrading to meet the demands of the time. That's what's being done. When you talk about—

Mr. Peter Tabuns: You don't have a plan, do you?

Hon. Christopher Bentley: Hydro One constantly—

Mr. Peter Tabuns: You actually don't—as the Minister of Energy, you do not have a plan.

Hon. Christopher Bentley: You don't want the answer.

Mr. Peter Tabuns: You're not even familiar with this, are you?

Hon. Christopher Bentley: What is happening with respect to the upgrading of the grid and the technology is that they are constantly upgrading and reviewing to meet those very issues.

There was a challenge just a few weeks ago, maybe a month or so ago, about solar flares. Hydro One was specifically aware of the issue because of what had happened several years ago. They were monitoring. They were preparing. They were reacting and adapting to make sure they were in a position to deal with any challenges with respect to solar flares. That's one of a myriad of issues that they do as a matter of course, that they're constantly doing to make sure that they can adapt and adopt their technology to what's required in the province of Ontario. The results, I'd say respectfully, speak very well in the province of Ontario. The results are that their technology is meeting the demands.

Mr. Peter Tabuns: Has your ministry prepared a plan to deal with the impact of climate change, as recommended by the expert panel on adaptation? Has it?

Hon. Christopher Bentley: The ministry itself is not preparing a specific plan. The ministry works with Hydro One and OPG and the local distribution companies to make sure that, as they take a look at their capital requirements, as they upgrade technology, they are constantly doing so to meet the needs of the people of the province of Ontario today and for the years to come. They're doing a very responsible job.

Mr. Peter Tabuns: Is anyone monitoring to see that that is happening? And if so, who in your organization?

Hon. Christopher Bentley: That would be Hydro One and OPG and the local distribution companies, who are on the ground doing the actual work.

Mr. Peter Tabuns: The Environmental Commissioner says that OPG has done some planning, but he hasn't seen it from Hydro One, the Ontario Power Authority and local distribution companies. So who in your ministry is making sure that Ontario is protected from the impact of climate change? Who?

Hon. Christopher Bentley: The ministry makes sure that the infrastructure that needs to be in place to meet the energy demands of the people of the province of Ontario is going to be there. The Ontario Power Authority plans to make sure that that infrastructure is going to be there. They work with the experts at Hydro One, OPG and the local distribution companies, and that's where the

expertise resides, not only in the OPA but also in Hydro One, OPG and the local distribution companies, who engage in this work in an ongoing basis to make sure that the infrastructure you have is fit for the purpose. That's why there has been a substantial investment in that infrastructure.

We're questioned constantly about the price of electricity, but the price of electricity has very much been reflective of bringing on new generation and making sure that the infrastructure that delivers it is upgraded and fit for the purpose.

Mr. Peter Tabuns: Has your ministry checked the technical specifications to ensure that the infrastructure investments that are going to be made will meet the climate conditions we expect to deal with within the next two decades?

Hon. Christopher Bentley: I would expect that that checking is going to be done by the experts in the field. It would be done by the OPGs and Hydro Ones and the local distribution companies, who have the technical experts who will be able to make sure that the infrastructure that is being invested in and being used is fit for the purpose.

Mr. Peter Tabuns: What's your role if they're not doing it? How do you know whether they're doing it or not?

Hon. Christopher Bentley: I confess that I'm not an engineer. I'm not the technical expert—

Mr. Peter Tabuns: No, but you are the Minister of Energy for the province of Ontario.

Hon. Christopher Bentley: Yes, and not the technical expert. I would expect that Hydro One and OPG in particular, and the local distribution companies, who are in the position to make sure that we have the necessary infrastructure, are in fact investing in the necessary infrastructure, which is why they make application for additional investment to the Ontario Energy Board and attempt to justify it—

Mr. Peter Tabuns: Have you ever asked the technical people in your ministry if in fact climate adaptation is being prepared for, planned for, in those bodies over which you have jurisdiction? Have you asked your people, your technical experts?

Hon. Christopher Bentley: I have not asked that specific question—

Mr. Peter Tabuns: Will you ask them?

Hon. Christopher Bentley: Absolutely.

Mr. Peter Tabuns: Further, in terms of climate change, our gas distribution system can be exposed to risk. As the Minister of Energy, the minister who oversees the OEB, who regulates the gas industry—again, the Environmental Commissioner pointed out the risk to gas distribution systems with the impact of extreme weather events. Has your ministry looked at this issue, and can it report back to this Legislature or this committee on what you have found?

Hon. Christopher Bentley: I know safety is first with the gas distribution companies, whether you're dealing with Enbridge, with Union Gas. Safety is always first

with us. I know safety is always first with them, and I know they take a look at these issues on an ongoing basis. What exactly is it that you wish me to inquire about?

Mr. Peter Tabuns: Is your ministry assessing the vulnerability of the gas distribution system to climate change, and are you taking steps to ensure that the security of the gas system is assured for the people of Ontario?

Hon. Christopher Bentley: Well, we certainly have discussions and conversations to make sure that safety and reliability are being met for the people of the province of Ontario. Those safety and reliability conversations would, I would expect, include a discussion about any adverse weather events that may affect the people of the province of Ontario. So within that context, those would be ongoing discussions and conversations that would absolutely happen on an ongoing basis. Weather events are one of many issues that would have to be discussed on an ongoing basis.

Mr. Peter Tabuns: Is there someone in your ministry who oversees the reliability of the system?

Hon. Christopher Bentley: Well, remember that the gas distribution system is run by private entities—

Mr. Peter Tabuns: Regulated by the province of Ontario.

Hon. Christopher Bentley: Regulated—well, it's regulated by the Ontario Energy Board. One of the province's interests is to make sure that gas is distributed safely. There are quite a number of technical regulations, as you would know; quite a number of rules and regulations—some provincial, many federal. The federal government would have a significant regulatory role with respect to cross-border gas distribution. I suspect the National Energy Board would have a significant regulatory input and oversight, and I expect that those bodies would incorporate safety and actual information with respect to that in the decisions that they make.

The Chair (Mr. Michael Prue): Okay, I'm going to stop you right there because the time has now expired.

Before adjourning for today, we have approximately six hours left with this minister. Next week, we have scheduled five hours and 45 minutes. I am mindful of the minister's time. We can either add an extra 15 minutes sometime next week or we can ask him to return the following week, along with all of his staff, for 15 minutes.

Interjection.

The Chair (Mr. Michael Prue): Yes, in the calendar, next week is the last week, but I'm given to understand that there's a very good likelihood that we will be extended.

So I leave it to the committee. The easiest thing in my mind would be, for Tuesday morning, to start at a quarter to 9, to ensure that we can finish with this minister and ministry next week.

Could that be accommodated, Mr. Minister?

Hon. Christopher Bentley: That would be fabulous. It sounds like a great plan.

The Chair (Mr. Michael Prue): Does everybody agree with that? I think that's the fairest thing; I'm trying to be fair to all parties. So then, we will adjourn at this

time, until next week, Tuesday, June 5 at 8:45. Okay?
Meeting adjourned.

The committee adjourned at 1802.

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First Session, 40th Parliament

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Première session, 40^e législature

Official Report of Debates (Hansard)

Tuesday 5 June 2012

Journal des débats (Hansard)

Mardi 5 juin 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 5 June 2012

Mardi 5 juin 2012

The committee met at 0845 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): We're going to call the meeting to order. I realize that not everyone is here yet, but if we are going to finish with this minister and this ministry over the next two days, we have to start now.

We're here to resume the consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of six hours and 16 minutes remaining. When the committee adjourned at the last meeting, the third party had finished its 20-minute turn. It is now the turn of the government. Following that, we'll have the official opposition for another round of questioning.

To the government, you have 20 minutes.

Mrs. Teresa Piruzza: Thank you, Chair, and good morning, everyone. It's a pleasure to be here again this morning, and thanks for the wonderful pie, by the way, to get that in there.

Minister, I'll turn it over to us with respect to some questions for you. One of the areas that I hear about or that I get calls about in my office is with respect to door-to-door retailers, marketers and different elements as people knock on the door. I know we try to have discussions with my constituents in terms of what the rates are and what they can and can't do with respect to the door-to-door sales like that, but my question to you on this matter is, what is Ontario doing to protect Ontario consumers from electricity retailers and gas marketers?

Hon. Christopher Bentley: Thank you very much. I'm just going to spend a second or two, if I could, framing a few of the issues, and then turn it over to the deputy for some more of the detail. Most of us receive a bill from our distribution company and deal directly with the distribution company. There is another option, and that is to go through a retailer of some description. It could be for hydro; it could be for gas. We all have the power to make our independent arrangements with a retailer, if we choose.

Over the years there have been some challenges with respect to the conversations that take place between the homeowner and an energy retailer that might come to the door, some challenges, in part, because not all of us are or are intended to be experts in what makes up the bill, how it gets calculated, what variables there are, what we

have control over, the different parts of a bill, the different charges. We're really not expected to be experts. Sometimes those conversations in the past with people who come to the door proceed on the assumption that we are experts, and so in the past there have been people who have entered into contracts that really were not in their best interest, entered into contracts where they might not have fully understood or appreciated all the different charges they were going to pay, some of which were in addition to the charge they were negotiating with the energy retailer. Of course, when people come to the door and they make a very strong and forceful presentation, it's always tempting to be drawn into that conversation. Sometimes you don't always have the extra moment or two you need for reflection, to think about other issues.

A couple of years ago we started taking a look at this and started taking a look at some additional initiatives that would enable homeowners, when they're having the door-to-door conversations with potential energy retailers, to make sure that they had the information they required before they started entering into contracts. I think what I'll do now is turn it over to the deputy just to talk about what the initiatives were in the legislation we brought forward, which came into force on January 1, 2011.

Mr. Serge Imbrogno: Thank you, Minister. I was actually going to call John Whitehead. He's the assistant deputy minister of the regulatory affairs and strategic planning group. John can walk through those details.

Mr. John Whitehead: Good morning. As the minister mentioned, the Legislature approved in 2010 a new Energy Consumer Protection Act that came into effect on January 1, 2011. The goal of this act—the minister has touched on some of the inherent issues that we were trying to get at—was to ensure that consumers had a ready and accessible amount of information available to them at the time of the sale, and to rebalance the relationship, if I can put it that way, between the consumer and the energy retailer to ensure that the company selling products at the door was held accountable to ensure that certain standards were met.

0850

So when the legislation was being designed, we really did consider it right from the time that the salesperson left their office and walked up somebody's front step, through the process at the door, on to the life of the contract and even through the end of the contract. The new rules affect a variety of elements of the contract

relationship, so they deal with what must be disclosed to the consumer, or the potential consumer, at the time of the sale and the manner in which it must be disclosed.

The minister mentioned in his comments a moment or two for reflection, so we have built into the legislation specific requirements and standards for what retailers must do in terms of a follow-up call to consumers to assist them with their decision-making and to ensure that they've had that moment for reflection.

We have dealt with what many would consider to be unfair practices by those who sell contracts at the door. So there is a variety of new rules that apply there, as well as to the end of the contract period. There is now a new set of rules for contracts ending after January 1, 2011, in respect to what can be renewed and under what terms.

To ensure that the act has adequate administrative support and backup, the Ontario Energy Board, which licenses retailers and other entities in the energy field, was granted new enforcement powers. So it has powers of audit. As a licensing entity, it can apply new standards and requirements to energy retailers. For example, retailers must now, as part of their ability to sell in the market, verify that they've trained their sales agents in appropriate and allowable techniques at the door. They must have their sales agents prominently display an appropriate identification. One of the issues that we heard about through consultations in the development of this act was confusion on the part of some consumers, not just with respect to the details of the bill but actually with who was standing in front of them—whether the individual was a representative of the utility in the area or whether they were a representative of a retailer.

So there is a variety of new protections and a rebalancing of the relationship between energy retailers and their customers. I think the legislation is comprehensive. It's been in place just over a year at this point, and we have seen some significant changes in the marketplace as a result.

Mrs. Teresa Piruzza: Thank you for that response with respect to the act and the development of the act. Some of the elements, as you've indicated, came into effect at the beginning of 2011, so I'm sure there's still an element of education and awareness, I think, that may have to go out to our communities with respect to what is in the act and what their rights are and what the responsibilities of the retailers are. But to that end, what does a consumer do if they believe a retailer is not in compliance with the act?

Mr. John Whitehead: As I said, the Ontario Energy Board is our primary enforcement agent for ensuring that the rules and the requirements are met. I should mention that in addition to this legislation, the energy board also has a variety of codes and standards that it develops to ensure that there is an appropriate range of protections. For a consumer who is concerned about what happens or what has happened with their contract, or whether they are in a fair or appropriate arrangement, calling the energy board is a good first step. The energy board does now have powers of investigation and follow-up, and can

enforce—and does enforce—a variety of administrative penalties in the event of non-compliance.

The energy board has also taken the opportunity to revamp its website in the last year. Because of the breadth of their business, they have to deal with the sophisticated service providers, but they also deal with customers who are not, as the minister mentioned, experts in the review of their bill. So they've split their website into a consumer and an industrial approach. By all accounts, it's a much more user-friendly approach. Certainly we'd encourage people to reach out to the OEB as a first step.

Mrs. Teresa Piruzza: Just on that as well, is there a number that they can contact as well, given that some may not have access to those websites?

Mr. John Whitehead: Yes, there is a toll-free number for consumers as well. I'm sure we can get that for the record.

We have noticed as part of this that the number of times that people need to contact the OEB seems to be dropping. We're monitoring this. One of the key concerns that consumers noted for us during consultations was automatic renewals of contracts, things like that. Those renewal provisions, as I mentioned, have been changed, so there are fewer opportunities to find oneself in a contract one didn't intend to be in. If a contract is renewed—there are no automatic renewals of electricity contracts, and if a gas contract is renewed now, the terms of the deal are that it can't be renewed at a price higher than or different than the pre-existing contract, and it can be withdrawn from without a cancellation fee.

I think those things have helped, but again, we'd certainly encourage anyone with concerns to contact the OEB, either through their website or a toll-free number.

Mrs. Teresa Piruzza: You spoke of the enforcement that the OEB can provide through this act and some of the rules and regulations that they do have. If someone does call, how do they go about enforcing, or how do they enforce the act? Sometimes, when there is an act—the enforcement rules are there, but how does the OEB go about enforcing the act?

Mr. John Whitehead: It's actually a multi-step process. If somebody does have a concern or a complaint, the OEB would register that. We do, as a matter of course now, require retailers to record their phone calls with customers so that we can independently assess what was said to the customer and what they agreed to do.

The OEB starts with—it's an escalating series of steps that the OEB can take, from a simple phone call to the retailer to say, "There is a problem here. What would you like to do about it?" through to and including investigations and enforcement through audit and administrative penalties. In fact, by August 2011, there had been 12 administrative penalties issued to retailers involving allegations of non-compliance. So the board was active immediately in the first several months of the act's coming into force. Those allegations and those administrative penalties dealt with a range of things, including sales agent training, contract requirements, incorrect use of disclosure statements and price comparison documents.

If I could go back to your earlier question for just a moment, the toll-free number, apparently, is 1-877-632-2727.

Mrs. Teresa Piruzza: Perfect. Thank you.

Mr. John Whitehead: Of the various penalties that were issued, 10 of the retailers have filed assurance of voluntary compliance with the board, and they have set up a plan to pay their administrative penalties. The two remaining companies remain in hearings and in a process to resolve the outstanding issues.

In total for 2011, the Ontario Energy Board collected just under \$1 million of administrative penalties that are being used for further consumer education programs.

0900

Mrs. Teresa Piruzza: So certainly working on that. Again, given that the act is relatively new—it just came into effect in January—when we bring forward rules and regulations, there's an element of review or seeing if the act has attained its objectives, whether it's meeting its goals in terms of why it was originally developed. What happens if the existing rules aren't enough as we move forward?

Mr. John Whitehead: The legislation that was approved does include a variety of regulatory provisions, only some of which have been used and which could be used more fully. With the OEB, we are monitoring the changes in the patterns that we're seeing of consumer complaints and what we can do. Under the existing legislation, we do have additional regulatory authority that could be applied if it looks like there is a continuing problem.

I would say that in terms of the pattern so far, in 2010 the OEB recorded a total of over 5,700 consumer complaints in respect of retailer contracts. I'm just referring to a table here. By the first quarter of 2011, that had dropped to 1,458, second quarter was 732, third quarter was 578, and by the fourth quarter of 2011 it was down to 378. Certainly not that consumers are uniformly happy or that they are—but we think this is significant and directionally appropriate. The pattern that we're seeing is that there are certainly changes taking place in the marketplace, and it gives us optimism that these rules are appropriate. But as I say, if we see a change, there is further action that can be taken.

Mrs. Teresa Piruzza: Perfect. How much more time do we have?

The Chair (Mr. Michael Prue): About two and a half minutes.

Mrs. Teresa Piruzza: Good, so I'll just finish up.

With respect to the act, you've spoken about the fines that have been collected, and that money then gets reinvested in education and awareness for our consumers. You've talked about complaints being reduced over time since the introduction of the act, and some of that is the education and awareness. Is there a cycle, I guess, that the board goes on in terms of ensuring that the education and awareness is there? Are you suggesting, with the reduction in complaints that we're getting, that in fact the

act was successful in its original objective and goal; that is, to protect consumers?

Mr. John Whitehead: Certainly, what we're seeing at the ministry and what the Ontario Energy Board is reporting to us suggest that there is a great deal of success. As I mentioned, the pattern of complaints has been falling consistently.

We feel that there may be several contributing factors there. I mentioned that the automatic renewal of contracts was one element. Another element was for those consumers who find themselves in a contract. They may have entered into it quite knowingly but their circumstances have changed through time; the act also limits cancellation fees for exiting from the contract. There's a variety of factors that may have contributed to this. The act was pretty comprehensive.

But we are also seeing changes in the pattern of sales overall. We believe that the door-to-door sales of these contracts are diminishing, and so people will have more opportunity and perhaps less of the pressure that the minister mentioned in his comments to make a quick decision on a matter that, day to day, most people wouldn't walk around with a lot of detailed knowledge about what the implications of the contract would be. We do feel it's directionally appropriate.

As I mentioned, we and the Ontario Energy Board are watching the marketplace closely. As a licensing body, the Ontario Energy Board has the ability to review and, in extreme circumstances, suspend the contracts of retailers. I mentioned the rebalanced relationship between consumers and the retailers. One of the things that has been rebalanced is that if a retailer is found to have offered a contract that included unfair practices and that contract is deemed void, the consumer gets all of their money back from that contract.

The Chair (Mr. Michael Prue): I'm going to stop you right there. We're on to the Conservatives.

Mr. Rob Leone: Good morning everyone.

Minister, I'm going to come back to the Mississauga and Oakville gas plants for a moment. It was noted in the Toronto Star last week that there is an \$82.3-million suit against the government. Unfortunately, Minister, we had to find out about that suit through the newspaper even though we had asked you about what the value of these suits or pending suits was.

Could you tell us why you couldn't tell us and why we had to read this information through the newspaper?

Hon. Christopher Bentley: Well, in fact—thank you very much for the question; I appreciate that—you did not find out about a lawsuit through the newspaper, because I have mentioned that there were lawsuits with respect to the Mississauga gas plant. I've mentioned the fact that there are lawsuits on both sides of the border in a number of answers that I've provided to different questions. I've said, in relation to the questions that you've asked, that because of the lawsuits, because of the very sensitive discussions that are going on involving the gas plant, I'm not in a position to speak to those issues in detail at the moment.

Mr. Rob Leone: So even where the information is public, you aren't able to speak to those issues at all?

Hon. Christopher Bentley: I think as a general rule, when there are lawsuits that relate to a matter—and I'm speaking generally—and in addition there are very sensitive discussions, speaking about what may or may not have been heard, may or may not have been said, may or may not have been fact, or may or may not have been part of a discussion strikes at the very heart of the reason that you don't speak about things. It's much better and it's much more important to allow the conversations to take place within the realm of confidentiality, which protects the conversations, protects the negotiating position, in this case, of the people of the province of Ontario.

Mr. Rob Leone: This information is public, though.

Hon. Christopher Bentley: As I say, I'm speaking very generally, but what people may hear or may not hear, what may or may not be public, commenting on little bits of it would inevitably start to strike at the heart of the need for confidentiality for the discussions and place at risk potentially the protection of the position of the people of the province of Ontario. That's why we've taken a position with respect to the conversations—which are very sensitive, covered by privilege—and the lawsuits on both sides of the border that at this point in time it's not appropriate to speak to those issues, because the position of the people of the province of Ontario is being represented and defended and protected in a number of ways.

Mr. Rob Leone: I appreciate the fact that some sensitive matters and commercially sensitive matters, as you referred to them before, can be restricted. There's probably a legitimate basis for that. But what I'm talking about here, Minister, is the public information, the fact that we have reported in the Toronto Star last week an \$82.3-million suit. Now, we asked previously, and I'm going to ask again, where in the estimates do we find money set aside to defend these lawsuits? Where are they?

Hon. Christopher Bentley: Yes, thank you very much. There is not a line in the estimates, which are the spending of the Ministry of Energy. With respect to any comments, reports, details, suggestions, references, what we need to make sure that we do is protect and respect the interests of the people of Ontario, which are being protected and respected, both involving the lawsuits and in the discussions. It would not advance, and may well hinder, the interests of the people of Ontario to get into a discussion about those specifics at this point in time. I hope to be in a position to speak to the issues at a later date. Today is not that date.

0910

Mr. Rob Leone: Minister, are we to assume, then, that anywhere where there might be a pending lawsuit in the Ministry of Energy would be off limits to the kinds of questions we can ask in this committee?

Hon. Christopher Bentley: You've asked me specifically about the Mississauga gas plant relocation, a gas plant relocation which, I've said before, was and is sup-

ported by your party, was and has been supported by your party from the beginning. You've been asking me about issues relating to confidential, sensitive, privileged conversations, discussions and lawsuits relating to that matter, and I'm answering your questions in the context of those issues.

Mr. Rob Leone: Let me restate our position on this, Minister. While we agree that the location that you chose was not the best location for a gas-fired plant, we wouldn't have put that plant there to begin with. The siting of that plant, to begin with, was a decision that was made by your government, which we can't ask questions on because you're refusing to answer those questions.

Now, Minister, the reason why I asked the previous question was related to the fact that if we look through your ministry, the threat or the potential threat of lawsuits actually is pandemic. They are with respect to natural gas-fired plants. Whether they're green energy, windmills or solar plants, or folks who can't connect to the grid for whatever reason and these folks are also threatening lawsuits, does that mean we can't ask your ministry any questions?

Hon. Christopher Bentley: Thank you very much. I hadn't yet noticed that you had run out of questions to ask, either during estimates or during question period. Indeed, I have been privileged and blessed to have been the recipient of quite a number of different forms of inquiry, and sometimes those questions don't require the formality of estimates or question period in which to have them framed. I too can sometimes read about them in the occasional press release or press report from time to time.

I think what is important is that you're having the opportunity to pose the questions. What is very important is that we make sure at all times that the interests of the people of Ontario are protected. We have a shared interest in that and we have a shared, in some sense, responsibility, but certainly a shared interest.

There may be information that the discussion of which would hinder or harm or hurt the interests of the people of Ontario because they're in the midst of either the defence of lawsuits or confidential discussions.

The great privilege of living in a society such as ours, with free and open access to the courts, is that anybody, about anything, at any time, can either exercise any rights they have or exercise any rights they say they have under different contracts and have access to the courts. Access to the courts is one of the things that we have always protected and respected. Not everybody with access has a successful case, but the principle of a democracy such as ours is that there be access to the courts, and that's what we constantly work to defend and encourage.

Mr. Rob Leone: It's a good thing that you mention that we have a great system, and I agree that we do, but part of having that great system provides members of the Legislature to ask the government to be accountable and transparent to the affairs of the government, particularly the ministry. And that's what we're doing here in estimates. We're asking you questions related to your

ministry that are of the public interest and in the public interest. We just don't seem to be getting very many answers, Minister.

I'm wondering whether you'd be happy or excited, since you read the newspaper and you've alluded to that fact quite frequently, to read a headline in tomorrow's Toronto Star that states something to the effect that "Energy Minister Fails to Answer any Question on the Mississauga or Oakville Plants." Would you be happy with such a headline?

Hon. Christopher Bentley: Well, thank you very much for the question. My responsibility is always to perform my responsibility, and I leave the comment on it to others. Sometimes it is easy, and sometimes it is easy, but it's always a responsibility that we bear and we take very seriously.

I think it's important that we do recognize that sometimes in lawsuits, sometimes when you're defending the comments and actions of others, there are many who will have a much freer ability to comment—correctly or not—on the actions of a government than the government might have, because some of the interests that it is defending and protecting require either that it not comment, it not violate the confidentiality, which sometimes may accrue to its benefit and sometimes may accrue to the benefit of the party that it's having confidential conversations with, but protecting and respecting commercially sensitive, confidential conversations is essential to the maintenance of those conversations. When you're defending lawsuits or participating in legal action of any sort, defending or not, it is important that you respect the process, respect the approach, and it's important that you always protect and defend not only the principles of justice but the interests of those that you're representing.

The interests of the people of the province of Ontario are being represented in those discussions, and to engage in further conversation of them in any form at this point in time would not help advance, and may well hinder or hurt, those particular issues.

Mr. Rob Leone: Minister, we've been asking questions with respect to this for a number of hours, I would say, on this committee. We've asked questions on whether the government could produce any information with respect to whether a gas plant was needed, either in Oakville or in Mississauga. We've asked for a site assessment on the location of the gas plants in Oakville and in Mississauga. We weren't provided with that either. We've asked for the costing of what we've spent on constructing the plant in Mississauga and halting that. We weren't able to have any answers on that. We've asked you questions with respect to the legal issues and legal costs that you're going to incur as a result of the relocation of these plants, and you've failed to provide those as well. Minister, do you have any comments with respect to your failure to answer questions on any of these matters?

Mrs. Teresa Piruzza: Point of order with respect to the question just asked, Chair: He's indicated in his question that the questions that they're asking all have to do with legal proceedings or various types of negotiations

that are ongoing. The minister has indicated in his answer a number of times that with respect to those negotiations, with that process, the objective and the element that we must all consider is the protection of the province and of the families of Ontario.

Now, to ask the minister or to indicate, or even to suggest, that the minister is not responding to the question I believe does not stay in the spirit or the element in terms of the standing order, in terms of the questions of legal negotiations. We've discussed this before in terms of elements. In standing order 23(g), a member shall be called to order if they refer to any matter that is the subject of a court process. All these questions that they're asking are with respect to elements that are within a court process. So, again, to suggest that the minister is not responding—he has been responding. I just need to indicate that.

The Chair (Mr. Michael Prue): I listened intently. This is not a point of order. I mean, it is an argument, but I did rule as the Chair early in the procedure that the members of this committee are entitled to ask those questions. I also ruled, I think quite fairly, that the minister may respond as he sees fit. I don't think that the point of order is well taken. Mr. Leone has the right to ask that question; the minister has the right to respond in the way that he wishes.

Mrs. Teresa Piruzza: But with respect to that question—sorry, Chair—and in respect to your rulings that you've done with this as well, he's indicating that the minister is not responding, and in your comments you just indicated that the minister may respond as he sees fit with respect to the questions.

The Chair (Mr. Michael Prue): I think the—

Mrs. Teresa Piruzza: The minister is responding.

The Chair (Mr. Michael Prue): Yes, the minister is responding, perhaps not as Mr. Leone wishes, but the minister has responded. Mr. Leone, though, is entitled to ask this question.

I'm going to add another minute on to what you have because of this.

0920

Mr. Rob Leone: Thank you.

Hon. Christopher Bentley: Thank you very much. You know, I've quite extensively responded to the various issues surrounding these gas plants. I quite extensively indicated the commercially sensitive and the privileged nature of various discussions, and the different lawsuits in relation to the Mississauga plant, on both sides of the border. All of those issues are alive. They are current, they're not historical, and the interests of the people of the province of Ontario and the families and businesses are being represented in all of them. I think it's important that we allow the representation of the families and businesses of the province to take place.

Mr. Rob Leone: Okay, thank you. Mr. Harris?

Mr. Michael Harris: Minister Bentley, good morning. I would also like to follow up on a few items last week that we left off on. I'll draw your attention to the Auditor General's report, 2011. I'm sure you've got a copy of it

or have been through it. Specifically, the first, on page 11, where the Auditor General said that the ministry signed a contract with Samsung yet “no economic analysis or a business case was done to determine whether the agreement with the consortium was cost-effective....”

Next, on page 89, with regard to the renewable plan, “no comprehensive business case evaluation was done to objectively evaluate the impacts of the billion-dollar commitment.”

Page 96: With regard to the government’s energy plan and renewable energy policy, he says that “the minister essentially had the authority to direct the OPA, which minimized the need for an analysis of different policy options and an assessment of the cost-effectiveness of alternative approaches.”

On page 97, under the government’s energy plan and Green Energy Act, “billions of dollars were committed to renewable energy without fully evaluating the impact, the trade-offs, and the alternatives through a comprehensive business case analysis.” It goes on to say on that same page that “no thorough and professional cost-benefit analysis had been conducted to identify potentially cleaner, more economically productive, and cost-effective alternatives to renewable energy, such as energy imports and increased conservation.”

In his press release, finally, he stated, “Going forward, it will be critical for the Ministry of Energy and the Ontario Power Authority (OPA) to conduct an objective cost-benefit assessment of the progress made to date to provide government decision-makers with the information they need to strike an appropriate balance between the promotion of green energy and the price of electricity in Ontario.” That was what AG McCarter said.

Now, I’d like to ask you, obviously, if this cost-benefit assessment was done prior to the Green Energy Act. I’m assuming I will not get an answer on that one, so I’ll just simply ask, will you follow the Auditor General’s recommendation and perform this cost-benefit analysis on the Green Energy Act?

Hon. Christopher Bentley: Thank you very much. I very much appreciate the question and the number of different references—specific page references—to the Auditor General’s report, and the advice and the suggestions of the Auditor General. I very much appreciate all of that information.

I think you ask a multi-part question, so I’ll attempt to, in the time that’s—

Mr. Michael Harris: No, actually it’s just one: Will you perform a cost-benefit assessment and follow the Auditor General’s recommendation of doing so with regard to the Green Energy Act? Yes or no?

Hon. Christopher Bentley: Thank you very much. I think you asked your one question from a number of different aspects, with a number of different issues. I’ll give you one simple example: The green energy approach, which we have had some discussion of here in some detail, I think, really begins back with the determination that we won’t burn coal anymore. Because part of an analysis, any analysis by anybody, is, what is the

actual cost of burning coal for your energy? In any business case analysis, of course, you would always want to consider and take into consideration the externalities, the factors affected by a particular decision that are not always drawn in on a line-by-line basis. So when a number of independent studies, one of which, performed in 2005, suggested that the cost of burning coal and dirtying the air was about \$4.4 billion just for health and the environment, that’s a significant factor to be taken into consideration. Interestingly, it was not taken into consideration when determinations were made, I gather, to increase the use of coal in the province of Ontario as a source of energy.

So you start with a \$4.4-billion decision and then as you approach the opportunities that green energy represents, green or renewable energy being used all around the world, whether it’s bio, solar, wind—I’ll leave hydro out of that for a second—you also take a look at how the use of renewable energy can provide you with clean sources of power, reduce the burden on health care and environment—which of course are paid by taxpayers, not just ratepayers—and also potentially be used as a source of jobs-producing, income-producing opportunities for families and businesses throughout the province of Ontario. We’ve spoken quite a bit about the various considerations which went into the analysis of the Green Energy and Green Economy Act.

The Chair (Mr. Michael Prue): Okay, I’m going to stop you right there, and the next time we can go ahead.

Mr. Tabuns.

Mr. Peter Tabuns: Thank you, Chair. Good morning, Minister.

Hon. Christopher Bentley: Good morning.

Mr. Peter Tabuns: Minister, we’ve touched on this before, but just for the record, why does your government believe it’s necessary to maintain nuclear power at 50% of the grid mix over the next 30 years?

Hon. Christopher Bentley: It’s interesting. Yesterday, I believe, was the 50th anniversary of nuclear power in the province of Ontario. I actually was speaking to somebody about that yesterday—a rather significant anniversary, 50 years of nuclear power in the province of Ontario. It has for many decades been a substantial source of reliable and clean power, emissions-free power, a very important consideration with respect to nuclear.

We have developed, through Candu, a technology made in Canada. It’s been very successful, exported around the world, a technology that we’ve used at various sites in the province of Ontario to develop nuclear capacity. We have almost 80,000—it’s north of 70,000 and less than 80,000, they tell me, so I’ll choose almost 80,000—workers in the province of Ontario who derive their income through very skilled, highly advanced, very important work in the nuclear industry. We foresee that, given the assets that we have in the province of Ontario, as continuing to provide a significant source of our generation—not capacity necessarily, but our generation—for many years to come, and we’ve said it will be about 50%. I think in the long-term energy act it just goes under 50% in the future.

Mr. Peter Tabuns: Could you please give us an undertaking to provide the background documentation and analysis justifying your position that nuclear should remain at 50% of the grid mix?

Hon. Christopher Bentley: Well, I think you can—different countries and different jurisdictions can make a different determination—

Mr. Peter Tabuns: I'm sure they can. I'd like to know what the basis was for your determination.

Hon. Christopher Bentley: I'm sure that part of the determination was the fact that nuclear has historically been part of our mix here in the province of Ontario, that nuclear has provided safe, reliable, clean power to the people of Ontario for many decades. I suspect that that is a very significant source.

We are blessed in the province of Ontario to have a number of different opportunities to derive electricity from different sources, and we have a very good mix—well, almost a very good mix; we're getting out of coal. That was part of the mix.

Mr. Peter Tabuns: So, Minister, if you could actually provide us an analysis that shows us why the 50% target is the one you consider appropriate.

Hon. Christopher Bentley: Well, I know the long-term energy plan was the subject of much discussion, a public hearing, analysis, no doubt questions in the House, and you would have been part of those discussions, quite significantly.

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Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: I think history with respect to nuclear power in the province of Ontario was probably a very significant driver to how we derive that for the future. They are good assets, they perform well, and that's our determination as to what should happen in the future.

Mr. Peter Tabuns: I'm sure, Minister, you have a more in-depth analysis than "We've always done it and we'll continue to do it." So we would appreciate it.

I had the ministerial briefing when the long-term energy plan came out, and I was told this is a very rough document—lots more in-depth. I'd like the in-depth. Why 50%? Why not 20%? Why not 80%? Your justification would be good.

I'll move on. Did the OPA provide the government with a revised integrated power supply plan based on the long-term energy plan last summer?

Hon. Christopher Bentley: I know we have the long-term energy plan, which you've made reference to. We have not forwarded on to the Ontario Energy Board an IPSP, and it is our determination, our consideration, that we, going forward, should have a different approach to planning, a more focused and scoped approach to planning. So there is no completed IPSP that has been forwarded on to the Ontario Energy Board.

Mr. Peter Tabuns: So, after you produced the long-term energy plan, you did not in fact then prepare an integrated power supply plan. I'm clear in understanding you?

Hon. Christopher Bentley: No, there's no completed—there's no IPSP that we have forwarded on to the Ontario Energy Board. There was obviously work on what that would consist of, absolutely.

Mr. Peter Tabuns: Sorry. Was one drafted and then not forwarded on?

Hon. Christopher Bentley: I have no doubt there were drafts of various sorts.

Mr. Peter Tabuns: And the reason for not completing it and referring it to the Ontario Energy Board?

Hon. Christopher Bentley: Well, the reasons are as I have said. One of the challenges with the planning approach that exists in the province of Ontario is that it is a very long approach, not as flexible or responsive as it needs to be to meet different issues that arise in a fast-changing world economy, a fast-changing Ontario economy, and an economy in any jurisdiction which can seize new opportunities, technological or otherwise, that should be considered.

One of the things that we've said about planning is that for all its strengths, by the time we had finished with the planning process and with the detailed part of the planning process and the Ontario Energy Board's consideration of that, we would be many, many years down the road, and that wouldn't be terribly helpful to the people of Ontario. So what we have in legislation before us is a different approach, an approach which I think will be much more responsive and enable us to get input not only from members of the public, not only from stakeholders, not only from energy experts, but from the Ontario Energy Board in a much more scoped focus and timely way than the old approach would have provided.

Mr. Peter Tabuns: So did the government, under the law that's actually in place now—it has not yet been replaced. Did the government receive a draft integrated power supply plan from the OPA based on Energy Minister George Smitherman's previous long-term planning directive between 2008 and 2009?

Hon. Christopher Bentley: I'll get back to you on that.

Mr. Peter Tabuns: Yes. If you could give us an undertaking to confirm the existence of that document, and if you have that document, I would like an undertaking that you will provide us with a copy of that document.

Hon. Christopher Bentley: I'll get back to you on your question.

Mr. Peter Tabuns: And I guess, further, if in fact a revised IPSP was produced under the orders of Minister Smitherman, if you could tell us why that wasn't referred to the Ontario Energy Board under the laws of Ontario.

Interjection.

Mr. Peter Tabuns: Thank you.

Peter Jennings stated earlier in estimates on May 9, 2012, that reactor refurbishment costs would be approximately—

Hon. Christopher Bentley: Is it Rick?

Mr. Peter Tabuns: Sorry; it's Rick. My apologies. Sorry, Rick. Sometimes I read these things and sometimes they're wrong.

Hon. Christopher Bentley: Sorry, yes. I interrupted your question.

Mr. Peter Tabuns: I appreciate the correction.

It was stated that reactor refurbishment costs would be approximately \$1.8 billion per unit. Could you provide documentation showing us how that estimate was arrived at?

Hon. Christopher Bentley: Well, I appreciate your series of questions and the answers. This, I think, is one of the reasons why—when you've asked me various questions in the House and I don't have a figure, there's a reason for not having figures. The reason is that the contracts that will be negotiated around refurbishment with respect to Darlington have not been completed. When we started the refurbishment process in Darlington, we took a different approach than has been taken in the past. In the past—and it's not just Ontario; it's around the world—jurisdictions have looked for a bottom-line contract which both builds in every conceivable issue and can't possibly hope to be accurate, as accurate as it needs to be. That's one of the reasons why there are variations between the contracts agreed to and the ultimate costs.

So the approach taken by Ontario Power Generation here in the province of Ontario is to break down the contracting process into different parts. The first part we've spoken to; the ultimate cost we've not, because the contracts still need to be competitively let, competitively tendered and competitively negotiated. So there is no bottom-line price at the moment. OPG is going to keep every contractor's or every potential contractor's feet to the fire to make sure we get the best possible price for the people of the province of Ontario.

Mr. Peter Tabuns: I will point out that in open session you've said that your estimate is \$1.8 billion per unit.

Hon. Christopher Bentley: Mr. Jennings spoke to that in answer to some of the questions that you've asked around the long-term energy plan. My point is that the final prices and the makeup of the final prices are the subject of competitive contracts which have not yet been tendered or spoken to by OPG. So I think you have the very, very, very rough, ballpark estimate, which is like lots of other rough, ballpark estimates, but the hard work is still to be done.

Mr. Peter Tabuns: It would be to the advantage of this committee if you were to table the basis upon which that estimate was calculated, and I appreciate an undertaking to do so.

Hon. Christopher Bentley: I'll take your question back.

Mr. Peter Tabuns: Next question, then: What is the final cost of the refurbishment of Bruce A units 1 and 2 compared to the original estimate? And in addition to that answer, if you could provide us with documentation. So I'll start off with the final cost of the refurbishment of Bruce A units 1 and 2 compared to the estimate.

Hon. Christopher Bentley: I'll take your questions back. I don't know the extent to which the documentation

or other things are public or covered by commercial privilege, but I will take the questions back.

Mr. Peter Tabuns: Okay. I'll take that as an undertaking, and I appreciate it.

Hon. Christopher Bentley: You can take it as the answer that I've provided.

Mr. Peter Tabuns: That's fine.

Is it correct that the government's estimated cost of the new build at Darlington is \$15 billion? That is the long-term energy plan budget of \$33 billion minus \$18 billion for refurbishments.

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Hon. Christopher Bentley: I appreciate the question. In the long-term energy plan, where you attempt to come up with numbers on the basis of contracts which have not yet been negotiated, through an approach which has not yet been devised, you're going to come up with some very rough numbers. There are lots of numbers out there. That, as I understand, was the very rough basis of a very rough process.

I'm not sure where you go with the number, because, before any decision on a new build would be made or completed by the government, we'd have to have a lot more detailed information, assuming you decided to proceed with it, about what the costs would be and what the different issues would be and who was bearing the cost risk of those different issues. Lots of hard work ahead, and I suspect that we'll take a different approach to these things in the future than we have in the past, just like we've taken a rather fundamentally different approach to the refurbishment at Darlington than we have in the past, one that seeks to minimize the cost risk to the people of Ontario, whether they're a taxpayer or a ratepayer, and one that seeks to get large projects—and large construction projects of all sorts—not just nuclear, but of all sorts—have always been a challenge for governments—not just in Ontario; throughout the world—one which seeks to more closely match the estimates with the final figures.

Mr. Peter Tabuns: Was your estimate for new build at Darlington \$15 billion?

Hon. Christopher Bentley: My understanding is that that was the rough result of a subtraction mechanism, yes. It wasn't mine; it was the rough estimate of the long-term energy plan.

Mr. Peter Tabuns: Your government's, then. Your government is making decisions based on those numbers.

Hon. Christopher Bentley: No, and I think that's important. We're not making the decisions based on those numbers. The long-term energy plan is a plan, and the figures in the long-term energy plan are the estimates, but before you actually make the decision on the basis of the estimates, you have to test the estimate according to a contracting approach. For example, before you would actually make a decision about a new build, you would want to very rigorously test those who are proposing to do it and to see whether it was commercially justifiable for the ratepayers, whether that figure matched or was lower than the estimate in the long-term energy plan.

I would not want anyone to walk away from here thinking that if they matched the figure in the long-term energy plan, they're home-free as far as the cost of new build. I wouldn't want anyone to think that—no, not for one second. I think we want to take a very hard look at what would go into the contract, what the different issues are, and fight for the best price possible.

Mr. Peter Tabuns: Interesting.

On May 6, Mr. Jennings spoke about a South Carolina reactor, American reactors and a 2007 McKinsey report as the basis for your cost estimate of the Darlington new build. Could you please provide these studies and any other studies or analyses that led you to arrive at the \$15-billion cost estimate for the Darlington new build?

Hon. Christopher Bentley: I'll take your question back. Thank you very much.

Mr. Peter Tabuns: Pardon?

Hon. Christopher Bentley: I'll take your question back. Thank you very much.

Mr. Peter Tabuns: And you'll provide us with those figures?

Hon. Christopher Bentley: The first thing I'll find out is what there is.

Mr. Peter Tabuns: Find out what there is and you'll provide us with what there is.

Hon. Christopher Bentley: And then we'll go from there.

Mr. Peter Tabuns: Minister, how exactly do you expect the Legislature to hold you accountable if we can't ask you for this material?

Hon. Christopher Bentley: Well, you are. It's always difficult to provide certainty with what you will provide unless you know what actually exists. So I think the first step and the responsible step is to go back and find out what exists and make sure that there is material that exists, make sure that it's available to be disclosed and make sure that it's in our ability to disclose it. I just want to be as helpful as I can with respect to your question, and that's why I'm going to go back and find out what does exist and what state anything that exists is in.

Mr. Peter Tabuns: Assuming your ministry does have documentation, and assuming that it's not legally constrained, I understand that you'll provide it to us, which is great.

Hon. Christopher Bentley: I'm going to go back and find out, yes.

Mr. Peter Tabuns: Can you provide us with your latest long-term demand projections for energy in Ontario up to 2030?

Hon. Christopher Bentley: There are a number of different projections, and one of the things that we're working through at the moment is how the long-term energy plan demand curve—and there are a number of different potential scenarios—

The Chair (Mr. Michael Prue): I'm going to have to stop you there. Perhaps you can complete that answer later. We'll move on to the government.

Mr. Reza Moridi: Good morning. Thank you for appearing before this committee, Minister.

Minister, as we all know, a transmission and distribution system is a major part of our electricity system. Could you please let this committee know about the investments your ministry has made over the past few years in the transmission system within our electricity system?

Hon. Christopher Bentley: At the risk of wishing to answer every question, let me simply say, before I turn it over to the deputy, who may further delegate or pass off, a lot of work has been done with respect to the transmission system in the province of Ontario. We've spoken quite often about the \$9 billion-plus in investment in transmission in the province of Ontario. We've spoken quite often about the 5,000 kilometres of transmission system that is either new or has been upgraded or replaced, enhanced, which they tell me would get us from my home in London all the way up to the Yukon.

There has been a lot of work that has been done already, a lot of work that now, of course, comes on to be paid for and is paid for by ratepayers; obviously, a lot of work that needed to be done. We're doing a number of times more investment in transmission than historically was done in the years before we became the government, and they do it when they need to do it, so it was needed work.

With that, I'll pass it to the deputy.

Mr. Serge Imbrogno: I'm going to ask Rick Jennings to come up and walk you through the investments that have been made in transmission.

Mr. Rick Jennings: In terms of what major transmission investments have been made in the last few years, further to what the minister said, there have been substantial upgrades to existing facilities and the addition of new transmission projects since 2003. These were primarily planned to respond to four major drivers:

—to enable Ontario's off-coal policy by the end of 2014;

—to improve reliability of the provincial grid;

—to enhance interconnection with the neighbouring jurisdictions; and

—to help connect and integrate new renewable generation.

Together, these investments have met these objectives and allowed the transmission grid to keep pace with changes in supply and demand to ensure the integrity and reliability of the system.

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The largest or the most major inter-regional improvements that have taken place since 2003 include the Bruce-to-Milton transmission expansion project. This is the largest electricity transmission investment in Ontario in the last 20 years. This will connect over 3,000 megawatts of clean and renewable energy while helping facilitate removal of coal-fired generation from the province's energy grid.

The reinforcement of the power transfer capability between northern and southern Ontario—this allows a lot more hydro power from the north to come south—has enabled an additional 750 megawatts of transmission

capacity, to enable planned clean energy generation, and this includes the Lower Mattagami expansion. It's a major hydro increase.

Another major project is the Ontario-Quebec inter-connection project. This has been fully in service for the last two years and has increased the ability to move power back and forth between Ontario and Quebec by 1,250 megawatts. This gives us access to hydro power from Quebec, and Quebec can buy power from us during winter and other times when they need power.

Since 2003, more than \$9 billion has been invested to improve, replace and expand Hydro One's transmission and distribution system. That includes upgrades to over 5,000 kilometres of wire. The work is ongoing: In 2011 alone, Hydro One invested nearly \$1.5 billion into the upgrading and expansion of the transmission and distribution systems.

Mr. Reza Moridi: Thank you very much. These projects which you indicated at the bottom, which increase our transmission capacity with Quebec by 1,250 megawatts, I believe you mentioned: What will be our transmission capacity with Quebec at this point, considering this new system which is added to the previous one?

Mr. Rick Jennings: We have had the ability to move power back and forth to Quebec. This allows a dedicated line that allows us 1,250 at any one time. Previously, the Quebec system hasn't been that fully integrated, so they have actually had to separate generation to sell to different sides. This allows the systems to operate fully synchronously with each other, so it has greatly enhanced the ability to move the power back and forth.

Mr. Reza Moridi: Thank you. Among these projects which you have mentioned, are there new projects, and if there are, what are the stats of these new projects under construction?

Mr. Rick Jennings: The projects I've mentioned are ones that are either completed or well on their way to completion. The long-term energy plan set out new projects, planned projects. They outlined five priority projects, and these were identified for system reliability, to service new load and to incorporate renewables.

The five transmission projects, and the priority ones, are the east-west tie along Lake Superior—that's to better connect the northwest to the rest of the province. This will maintain an efficient and reliable supply to the northwest, and the Ontario Energy Board is currently conducting a designation process to select a qualified transmitter to develop this line.

There are three southwestern Ontario transmission projects, and these are largely to help integrate additional renewable energy into the grid. There's a new line proposed to go to Pickle Lake in northwestern Ontario, and this is to serve both increasing demands by the gold mining industry as a first step, and to enable connection to some of the remote First Nations communities.

Because the long-term energy plan integrates transmission and generation and supply, these work together in terms of the transmission projects, so they help facilitate the renewables targets in the plan as well as other

capacity and demand requirements in the plan. Particularly, as I said, a major, important point is integrating renewables. The southwest Ontario projects drive that.

Just to update on those, Hydro One is currently seeking Ontario Energy Board approval for the reconductoring of lines west of London. That means upgrading the wires so they can carry more power. This project is a proposal to upgrade about 70 kilometres of existing line in the west-of-London area by installing higher-capacity conductor. This is a very cost-effective way of adding capacity. You've got an existing right of way; you're just basically using the existing infrastructure but putting in lines that can carry more power.

In the Bruce area, as part of the planning, the power authority has recommended that Hydro One proceed with specialized equipment at its Milton station. This would help in being able to move more power through the existing system.

Further, the long-term energy plan has also asked the power authority to develop a plan for the connection of remote First Nation communities beyond Pickle Lake, so this is starting in northwestern Ontario but covering potentially a large area of the province. This is communities that currently rely on expensive diesel generation. The OPA has been working with communities in that area through a group called the Northwest Ontario First Nations Transmission Planning Committee. This involves about 25 different First Nation communities that have remote diesel systems. This committee is helping develop a business case for the expansion of the line and further expansion work.

Mr. Reza Moridi: Mr. Jennings, you talked about the east-west tie transmission line and its importance in terms of reliability of distribution and transmission of power in the northwestern part of the province. Could you tell us how you go about the procurement of this line?

Mr. Rick Jennings: The east-west tie is one of the five priority projects that I mentioned from the long-term energy plan. It is to provide greater connection capability between the northwest and the rest of the province, which currently has limited ability to transfer power. If approved, the project will maintain a reliable electricity supply in the northwest and make the system more efficient so we can take advantage of some of the resources there, and they can rely on some of the resources in the rest of the province.

The Ontario Energy Board has initiated a designation process to select a qualified electricity transmitter to carry out the development work; this is the technical studies, the environmental studies, public consultations. The selected transmitter would be able to receive cost recovery for any prudently incurred development costs, such as those related to conducting an environmental assessment and consultations with local communities. Seven transmitters have registered for this designation process.

The board plans to reach its decision on designation using a two-phased process. In the first phase, the board

has invited parties to make submissions on a specified issues list covering the following decision criteria: filing requirements and timing, obligations and consequences arising on designation, and the process for phase 2 of the hearing. In phase 2, the board will receive the plans filed by applicants for designation and evaluate those plans through a hearing process.

The unique nature of this is that instead of a transmitter sort of automatically having the right to do the project, there will be the ability to—as I said, there are seven different companies, and they're generally partnerships; some of them have partnerships with First Nation groups. So it is really a means of getting the best proposal to go ahead with the project.

Mr. Reza Moridi: Mr. Jennings, sometimes I compare the electricity system as a whole to a car, saying that if you have a car, you have to maintain your car. Otherwise, one day as you're driving on the highway, your car will stop immediately in the middle of the highway.

Our electricity system was basically ignored in terms of its maintenance and keeping it updated from 1990 up to 2003. We invested almost a very zero amount in terms of maintenance of our electricity system. A good example is the shutdown of a few nuclear power reactors because of lack of maintenance and updates of these systems.

In the past several years, as the minister mentioned, we have invested about \$9 billion in terms of upgrading the transmission and distribution systems within the electricity system. Could you tell us where we are on this? Are we up to date in terms of keeping our system maintained in terms of reliability and also from a technical point of view as well?

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Mr. Rick Jennings: Maintaining system reliability is Ontario's number one electricity priority. Hydro One's systems include about 29,000 kilometres of transmission lines and, through their distribution system, 123,500 kilometres of distribution lines. This is enough to circle the earth three times. There are about 50,000 steel towers, 1.6 million wooden poles, nearly 300 transmission stations and about 1,000 of the smaller distribution and regulating stations. So it is a massive system and, as you note with the analogy with the car, there is a need to maintain it.

Since 2003, Hydro One has invested over \$9 billion to improve, expand and replace equipment in Hydro One's transmission and distribution, including upgrades to more than 5,000 kilometres of power lines. As the minister noted, that's the distance from London to Whitehorse, the Yukon.

About 50% of Hydro One's overhead transmission lines and more than 20% of power transformers are over the age of 50. This shows when the system was built out. This is another reason why the maintenance and ongoing work is important. Over 15% of transmission stations across Ontario received overhauls in the five years between 2006 and 2011, amounting to a total investment of \$850 million. This is critical to making sure that they're up to date and have the most modern equipment.

Throughout 2011, Hydro One continued to make prudent investments to enhance reliability and facilitate the connection of clean energy. I think I had noted before, but just to show how this is ongoing, during 2011, Hydro One invested nearly \$1.5 billion in capital to improve system reliability, address an aging power system, facilitate connection of new generation and improve service. Ontario's average annual investment into Hydro One's transmission and distribution system since 2003 was more than double the average annual investment over the preceding eight years.

Mr. Reza Moridi: Thank you, Mr. Jennings. This is comforting information you've been telling us: that our system is reliable and that we can rely on the supply of electricity for years to come.

These investments, as the minister and yourself mentioned, about \$9 billion just on the maintenance of upgrading our electricity distribution and transmission systems: In terms of its economic impact, have you done any analysis to tell us how many jobs, for example, have been created as a result of these investments?

Of course, the main intention wasn't job creation; the main intention, I believe, was to do maintenance on and upgrade our electricity system, but of course it will have economic impacts in terms of job creation and other spinoffs. In terms of just job creation, has there been any analysis to see how many jobs have been created as a result of these investments?

Mr. Rick Jennings: Yes. As you noted, the principal reason is that renewing and rebuilding the province's aging electricity infrastructure is critical for reliability. It's also making it easier to connect clean energy projects, and of course it creates good jobs.

As an example, as part of the system overhaul, Hydro One is upgrading five major area supply stations in Toronto, Ottawa and Niagara. Hydro One's estimate is that 150 new construction jobs will be created from this upgrade work. Each station will involve apprentice electricians, so it's also critical to training for young people.

Hydro One currently employs more than 600 apprentices, including electricians, millwrights, mechanics and power line technicians. In addition, other major transmission upgrades throughout the province contribute to Ontario's effort to sustain and create new, clean energy jobs.

Mr. Reza Moridi: Thank you very much, Mr. Jennings.

I have a couple of questions with regard to FIT, Mr. Jennings or Minister. The FIT program has been quite successful since we introduced the Green Energy and Green Economy Act, and many people—homeowners, for example—have been a part of this program. Recently, what have we done, Minister, to make sure that connections have been made to the grid by those who have signed up on the FIT program?

Hon. Christopher Bentley: I think that's a very good point and I may turn it over to Mr. Jennings in just a moment or two to speak further about the details. But one of the things that happened when we launched the Green Energy and Green Economy Act and then the Feed-in

Tariff program was that there was a huge amount of interest in it, not just by the larger companies for the larger contracts, but it provided an opportunity, as you say, for individuals, for families, for homeowners to participate in the generation of electricity. That's something that we really hadn't had to any significant degree before. It provides them an opportunity to obtain a contract and, either as part of a rooftop or as part of a ground-mounted opportunity, provided them with the opportunity to generate electricity from their residences and then sell it back into the grid, sell it to the people of the province of Ontario. The contracts enabled them to make the significant, substantial investment in the equipment necessary to provide the generation. Of course, when you have a lot of enthusiasm, you have a lot of people indicating all around the province that they want to participate, and—

The Chair (Mr. Michael Prue): And I'm going to stop you there.

On to the Conservatives. We have approximately, I guess, 12, 15 minutes, so you'll have to start now and continue this afternoon, so just be mindful of that.

Mr. Rob Leone: Ten or 12 minutes, you say?

The Chair (Mr. Michael Prue): Well, no, I think 12 or—maybe up to 17 minutes, actually, but not the whole 20.

Mr. Rob Leone: Go right to 20 after? Okay.

Mr. Nicholls.

Mr. Rick Nicholls: Thank you, Chair. Good morning, Minister.

Hon. Christopher Bentley: Good morning.

Mr. Rick Nicholls: It's a known fact, sir, that the Liberals cancelled the planned 280-megawatt gas-powered plant in Mississauga just days before the election, and it's also a known fact that the plant was cancelled to save some Liberal seats. It's also a known fact that EIG Management, a US hedge fund, is suing the province for \$300 million over the Mississauga power plant.

My question, Minister, is a simple one. The OPA in fact offered to settle this lawsuit by offering \$82.3 million as a settlement for the cancelled power plant in Mississauga. So I'm just curious as to where this \$82.3-million payment will in fact come from. Will it come from the taxpayer, an increase in taxes? Perhaps the elimination of the OPA? Where will that \$82.3 million come from, sir?

Hon. Christopher Bentley: Much of your question I have spoken to in different ways, but I'll just address it again. The statement by the party that was in the middle of the election, the Liberals, a commitment to the people of Mississauga and the western part of the GTA, was that there would not be—it was our commitment, should we be re-elected, that we would not site the plant or continue with that plant at the Mississauga site.

I do note that I believe the same night the local PC candidate made exactly the same commitment and that the party leader—

Interjection.

Hon. Christopher Bentley: If I could, your party leader, who is still your party leader, made the same commitment, and, in fact, the NDP made the same commit-

ment. I do believe that everybody made the commitment for the right reasons—

Mr. Rick Nicholls: Well, Minister, I guess my question, though, was simply—

Hon. Christopher Bentley: —and probably for the same reasons.

Mr. Rick Nicholls: —where that money will come from, because there was a commitment made by the OPA to settle for \$82.3 million. So if we could just focus on that particular aspect and leave the other known facts for another time, perhaps. I was just curious to know, sir, where that money would come from.

Hon. Christopher Bentley: It's a good question and I'm going to address the question, but I take issue with what you state to be the known facts. As I say, the one known fact with respect to the decision not to proceed with the gas plant at the Mississauga site—in fact, when it was a decision that was quickly echoed both by the PCs and by the NDP. I know from our perspective, we did it having listened to the people of Mississauga and the western GTA. It was our commitment, and I would be surprised if your party's commitment or the NDP commitment was of a different form than that, all as a result of having listened and determined that that should not be a plant that proceeded.

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You ask about what is or isn't happening in the litigation. We have litigation on both sides of the border, as you know, in relation to the Mississauga gas plant. It would not be in the interests of the people of this province to comment on what is or isn't happening with respect to the litigation. At this point, it is important those interests of the people of the province of Ontario—the families and the businesses—be protected in the course of the litigation. So I won't comment one way or the other with respect to the questions about what is or isn't happening in the course of the litigation through various conversations—

Mr. Rick Nicholls: Respecting that, sir, the question, though, is—the OPA had made an offer of \$82.3 million to settle. Our curiosity has been strongly aroused simply because we're wondering where that \$82.3 million would come from. The OPA makes an offer—we also know it was rejected, by the way, because EIG is in fact suing for \$300 million.

But the question remains: Where would that money come from? Obviously, it has to come from somewhere if they're going to make an offer.

Hon. Christopher Bentley: The question you're asking me is what my comment would be about what you say is something that has happened in the course of litigation that is not, you say, coming to fruition, and you say, where would the funds come from in the event that something that isn't happening might have happened?

What I would repeat is that it really doesn't advance the interests of the people of the province to comment one way or the other on what is or isn't happening in the course of—

Mr. Rick Nicholls: So you're not sure where that money would come from. If the OPA made an offer,

we're not sure where that money would be coming from, then.

Mrs. Teresa Piruzza: Chair, I believe the minister is being—

The Chair (Mr. Michael Prue): The minister is doing a fine job.

Hon. Christopher Bentley: —through the course of the litigation, because the interests of the families and businesses of the province of Ontario in these very commercially sensitive, litigation-protected discussions and proceedings are being represented at the various discussion points and in the proceedings. It is important that that protection and that representation continue—

Mr. Rick Nicholls: Do you know how they arrived at that number, sir?

Hon. Christopher Bentley: —and it would not be aided by further comment by me about issues that may or may not be happening or have happened or are about to happen in the course of the litigation.

Mr. Rick Nicholls: We're just curious because it is public information, sir, and we're just wondering how the OPA may have come up with that particular number, to try to lay this particular issue to rest.

Hon. Christopher Bentley: One of the challenges—and I think your question nicely touches on one of the challenges—when you are in the position of wanting to protect and respect the interests of the families and businesses in the province, it doesn't advance those interests to comment on specific things that people want to ask you about litigation or about discussions, whether they happened or didn't or whether they're in context or not or whether they came to fruition or they didn't. What you end up doing, ultimately, is undermining or harming the interests that you're charged to protect. So we're protecting the interests—when these matters have reached the appropriate conclusion, I look forward to speaking to them, and I look forward to the questions that I'll be asked about them.

Mr. Rick Nicholls: Then, Minister, maybe you could help me understand one other thing here. With regard to large projects such as this, would I be correct in assuming that there are reserve funds sometimes built in for such things as lawsuits?

Hon. Christopher Bentley: Oh, gosh, that's an interesting question. I'm not sure that I'm in a position to provide that information one way or the other.

I would expect and hope that as we look to site any form of project in the province of Ontario, we come up with the best possible approach. When it comes to the siting of generation projects, gas or otherwise, we're taking a look at opportunities to make sure that we have the strongest possible approach to the siting of projects.

You'll see and you'll note, through the review of the Green Energy Act that we conducted, that we came up with a different approach we're receiving comment on now with respect to the siting of green energy projects throughout the province of Ontario to make sure that those that have good, strong local support are more likely to proceed than those that might not have as much.

Mr. Rick Nicholls: So there's probably not a reserve fund built in for lawsuits. I'm wondering, if there was, might we be able to find that in the estimates binder? If not, then I guess the question would be, why wouldn't there be a reserve fund there? Why is it not there?

I'm going to pass the questioning over to my colleague Mr. Leone.

Mr. Rob Leone: Minister, you stated a number of times over the course of the last few weeks that all three parties shared the motivation to cancel the gas plant.

You made that decision a week or so before the last election campaign. I'm wondering, why did you wait so long? Why did you wait until seven to 10 days before the last election? Why wasn't it before the last election or maybe three months before the election or six months before the election?

We're offering a reason for that, Minister, and that's because you wanted to save some Liberal seats. I want to give you the opportunity to come up with an alternative reason why you may have waited so long to make that decision.

Hon. Christopher Bentley: At the time that the determination was made and publicly stated last September that the Liberal Party, if re-elected, would not proceed with the siting of the gas plant on the Mississauga location, I know it was spoken to publicly at that time. It's been spoken to many times since then—

Mr. Rob Leone: How about before then, though, Minister?

Hon. Christopher Bentley: It's been spoken to many times since then, as a result of the public comment, listening very carefully to the communities in Mississauga and the western GTA. I know that that night and within the days afterwards, both parties spoke quite determinedly to exactly the same position—

Mr. Rob Leone: So the only reason why you made the decision was to save a seat or two or three?

Hon. Christopher Bentley: —and I trust that the motivation of both of the other parties, yours and the NDP, was related to your listening to the communities of Mississauga, taking the position that the plant could not and should not proceed in that particular location, and spoke to the highest of ideals—that that's why you took the position that your party did and that the NDP did.

Mr. Rob Leone: So it was about saving a seat, then, for you?

Hon. Christopher Bentley: No, it was about listening to the people of the community. They have the right to express their position on a particular project, whatever that project happens to be. In this particular case, the project was the siting of a generation facility, a gas plant. Obviously, as the permits were concluded in the spring of 2011, that public comment built.

It was spoken to when we made the determination that, if re-elected, we would not proceed with the siting of the gas plant. I just repeat that the determination that we made and publicly spoke to was exactly the same determination your party made that night and in the days afterwards—all, I assume, for reasons that were similar

to ours: that we had listened to the people of Mississauga and the western GTA and determined—

Mr. Rob Leone: Did you seek their opinion at any point before actually siting that plant there? Did you engage in these community consultations before actually putting a plant where you located it? We asked for that criteria; you haven't provided a reasonable explanation, from my perspective, and I think that of people in the opposition and in those communities. Why wasn't this consultation done before siting it? Wouldn't you have saved hundreds of millions of dollars by doing that?

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Hon. Christopher Bentley: I think, generally speaking—and I won't get into the details with respect to the Mississauga facility, because there are a number of different not only lawsuits but conversations going on with respect to that, and I have no doubt that—

Mr. Rob Leone: So you didn't engage in consultations.

Hon. Christopher Bentley: —and I have no doubt that the lawsuits would touch at some point on how the decision was made, what was made, what was taken into consideration. I think it would be fair to say, and I've spoken to this a number of times publicly since I became the minister, that what we're looking for is an approach to siting facilities that is as strong as it can possibly be and that will enable these facilities to proceed with much greater ease in the future than, from time to time, they have been able to do in the past.

Mr. Rob Leone: So the government changed its mind. Does the government now admit that its initial decision to put the plant where it was located and where construction began—is it the position of the government today that the previous government made a bad decision in locating that plant where they did in Mississauga? Was it a bad decision?

Hon. Christopher Bentley: Just to be clear, from time to time you might be given to reframing or rephrasing what I say in a different and, I might say, a creative way. My answer is as I contain it. The fact that I do not go back and change or restate my opposition to your reframing is not in any way, shape or form to be taken to be an acceptance of the reframing.

I think it would be unhelpful to the protection of the interests of the people of the province of Ontario, through the litigation that is on both sides of the border, about which I've been asked again today, or the confidential, sensitive discussions that are going on, to get into an analysis of the approach.

What I have said quite clearly is that the siting of major power projects has, from time to time, been a challenge for governments all over, our being no different. Everybody wants the power. Being able to see its source is not always something that we like. Finding an approach to the siting of these generation facilities—we're taking a look to see if there's an approach that can be different, that will garner greater acceptance from the beginning, as we proceed—

The Chair (Mr. Michael Prue): I'm going to have to stop you there, because the time has elapsed. We will conclude with the Conservatives' time this afternoon.

Mr. Rob Leone: How much time?

The Chair (Mr. Michael Prue): Five minutes left for this afternoon.

Before we break, we're going to have to have a subcommittee, because the House has said that we have up to four days in June and July to continue this committee's business around estimates. I would suggest it would be wise to hold that subcommittee sometime before we leave here tomorrow, maybe after the meeting or perhaps sometime earlier in the day. The reason I'm saying that is because the following week, although we will be meeting, the House leaders and others will not be here, and given that it's June and July, there's likely to be a good number of substitutions and other things necessary.

Could I have agreement that we would hold a subcommittee sometime tomorrow? Agreed.

Any druthers on when you'd like to have that? Would you like it at the end—we're going to be in session until 6. We could do it from 6 till 6:15 or so, if that would accommodate everybody. Will that work?

Interjections.

Mrs. Teresa Piruzza: Six tomorrow, did you say?

The Chair (Mr. Michael Prue): At 6 o'clock, we'll hold the subcommittee and we'll determine how many of those four dates and when they're going to be. It would be wise, I think, for all parties to consult with their House leaders etc., in order to make sure that we can have a full group here, including substitutions that may be necessary.

Okay, this meeting is recessed until this afternoon at approximately 3:45. There is still pie left.

The committee recessed from 1025 to 1556.

The Chair (Mr. Michael Prue): The meeting is resumed. We're now into orders of the day, so we can continue. It's now five minutes to 4. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. There is a total of five hours remaining.

When the committee recessed this morning, the official opposition had five minutes left of its 20-minute rotation. The official opposition has the floor.

Mr. Rob Leone: Mr. Chair, we're hoping that we can have a five-minute recess. We're wording a motion that we'd like to bring forward to the committee, and we're just trying to get some advice from the clerks on that. Could we have a five-minute recess, please?

The Chair (Mr. Michael Prue): Well, it needs agreement. There is a request for a five-minute recess. Is there general agreement?

Interjection: Agreed.

The Chair (Mr. Michael Prue): Is it agreed?

Mrs. Teresa Piruzza: Is it that you're still working on the motion—

Mr. Rob Leone: That's right.

Mrs. Teresa Piruzza:—or you're trying to get it approved?

Mr. Rob Leone: We're just at the final touches to the motion that we're trying to bring forward to the committee.

The Chair (Mr. Michael Prue): Is it agreed or no? Hearing no one against, it's accepted. We'll take a five-minute recess.

The committee recessed from 1557 to 1602.

The Chair (Mr. Michael Prue): The meeting is resumed. The floor again is with the Conservatives.

Mr. Rob Leone: Mr. Chair, I move adjournment of the committee.

The Chair (Mr. Michael Prue): I want to make sure: Is this adjournment for the day or for the balance of the committee?

Mr. Rob Leone: For the day.

The Chair (Mr. Michael Prue): Okay, for the day.

Interjections.

The Chair (Mr. Michael Prue): It's not debatable. The motion has been made, moving adjournment of the committee.

All those in favour of adjourning the committee for the day?

Mr. Michael Harris: Can I call for a 20-minute recess?

The Chair (Mr. Michael Prue): No, we have a motion on the floor.

Interjections.

The Chair (Mr. Michael Prue): This seems highly unusual to me, but I've been advised by the clerk that your motion to ask for a 20-minute recess in advance of the motion to adjourn for the day would be in order. All right, so you have that right, and it's not debatable. We are recessed for 20 minutes.

The committee recessed from 1603 to 1623.

The Chair (Mr. Michael Prue): The meeting resumes. We have a motion before us which is a motion of adjournment. All those in favour, please signify. Raise your hand. All those opposed? The motion is lost.

Back to the Conservatives.

Mr. Rob Leone: Mr. Chair, we have a motion that we would like to put forth to the committee. I want to raise this motion as it pertains to some of the proceedings that we've had in this committee. We are in the midst of providing copies to members of the committee as we speak. I believe they're on their way here today, right now.

Mr. Chair, may I read the motion?

The Chair (Mr. Michael Prue): If you have a motion, it must be read.

Mr. Rob Leone: Sure.

Mrs. Teresa Piruzza: On a point of privilege: I'd like a copy before you start reading it. So before you read it, just hold on a minute.

The Chair (Mr. Michael Prue): The point of privilege is well taken. If you would wait till all members have a copy in front of them.

Mr. Rob Leone: Sure.

The Chair (Mr. Michael Prue): Does everyone now have a copy of the motion to be read? Okay, please read it into the record.

Mr. Rob Leone: Thank you, Mr. Chair.

I move that the Chair write a letter to the Speaker as well as report to the Legislature and to draw its attention to a possible matter of contempt and a breach of the ancient parliamentary right of privilege that each elected member enjoys, and that the report include the following information:

That the Standing Committee on Estimates asked questions of the Minister of Energy on May 9, 2012, about the Oakville and Mississauga power plants. The minister refused to provide specific answers, citing that the answers would be "commercially sensitive." This is after the minister attempted to invoke the sub judice principle, which the Chair ruled was out of order for compelling and correct reasons, on the advice of the clerk.

The committee then passed a motion on May 16, 2012, which stated:

"That the Standing Committee on Estimates, herein 'the committee,' under standing order 110(b), stating that 'each committee shall have power to send for persons, papers and things,' directs the Minister of Energy as well as the Ministry of Energy and Ontario Power Authority to produce, within a fortnight, all correspondence, in any form, electronic or otherwise, that occurred between September 1, 2012, and December 31, 2011, related to the cancellation of the Oakville power plant as well as all correspondence, in any form, electronic or otherwise, that occurred between August 1, 2011, and December 31, 2011, related to the cancellation of the Mississauga power plant."

Despite that order as a directive of the committee, and despite giving ample time to comply, the Minister of Energy, the Honourable Christopher Bentley, MPP for London West, on behalf of the Ministry of Energy, responded in writing to the committee on May 30, 2012, which included the following excerpt:

"In light of the confidential, privileged and highly commercially sensitive nature of these issues, it would not be appropriate for my office or the ministry to disclose information that would prejudice these ongoing negotiations and litigation."

Accordingly, the committee wishes to report to the Speaker and to the House as a whole that the Minister of Energy has refused to comply with an order of the Standing Committee on Estimates under the standing orders of the Legislative Assembly of Ontario. Furthermore, that the committee recommends to the House that the Minister of Energy be compelled to provide the Standing Committee on Estimates, without delay, the documents and information it ordered, pursuant to standing order 110(b), and, if the minister refuses, that he be held in contempt of Parliament for breach of privilege.

Mr. Chair, on Wednesday—

The Chair (Mr. Michael Prue): Just hold on. Before you go on, as you were reading it out, there were several changes made to the written copy that I have. I just want to make sure that they are correct.

First of all, in the first paragraph, you stated "and a breach of the ancient parliamentary right of privilege." "Parliamentary" is not contained in the written document, unless I have something that's different?

Interjections.

The Chair (Mr. Michael Prue): Then I guess I was not given a copy. I was given something—maybe it was an earlier one. The clerk doesn't have that copy either.

Interjections.

The Chair (Mr. Michael Prue): Okay, yes, all right.

Then we went down to the fourth paragraph, midway, where it says "all correspondence, in any form, electronic or otherwise, that occurred between September 1, 2010"—on the record, you stated September 1, 2012.

Mr. Rob Leone: Oh, I apologize.

The Chair (Mr. Michael Prue): Which one is the correct one?

Mr. Rob Leone: It's 2010.

The Chair (Mr. Michael Prue): So 2010 is correct. Okay. Those were the two that I saw. Okay, thank you, just so the record is correct.

Now, if you wish, you may speak to your motion.

Mr. Rob Leone: Thank you.

Chair, on Wednesday, May 16, 2012, the Standing Committee on Estimates passed a motion that required the Minister of Energy, the Ministry of Energy, and the Ontario Power Authority to provide the committee with documents relating to the Oakville and Mississauga power plants. The Minister of Energy, on behalf of the Ministry of Energy, responded to the committee on May 30, 2012, and stated, "In light of the confidential, privileged and highly commercially sensitive nature of these issues, it would not be appropriate for my office or the ministry to disclose information that would prejudice these ongoing negotiations and litigation." The Ontario Power Authority provided similar reasoning.

Chair, when we made the request for the documents, we were not being unreasonable and afforded the minister an appropriate amount of time to table the documents. Overall, it is important to remember that the mandate of the committee is to investigate and to find out through estimates what is happening in government ministries. To achieve this goal, the committee should not be obstructed from receiving documents that it orders.

The committee understands that the government has a job to do. However, the opposition's job is to hold the government to account, and the government's refusal to provide the documents that the committee requested is blocking us from our undoubted role.

Members of the committee are only trying to do our job with full and complete documents. The minister has refused to provide the committee with documents, and it is important that we let the Legislature know what has happened.

On page 83 of O'Brien and Bosc, they provide a list of instances that would amount to contempt in the Legislature. Included in that list was, "without reasonable excuse, refusing to answer a question or provide information or produce papers formally required by the House or a committee." I believe that the minister's failure to provide documents to the standing committee falls under this description and constitutes a breach of privilege.

1630

Parliamentary precedent supports the committee. In 2011, a similar case occurred in the House of Commons. The finance committee had requested documents from the government regarding the cost of some of the bills before the House. The government refused to table the documents and cited cabinet confidence. The committee sent a report to the House and MP Scott Brison rose on a point of privilege. The Speaker ruled that the government's failure to produce the documents constituted a *prima facie* breach of the House's privilege.

In addition, in 2010, the House of Commons ordered the government to table documents regarding the transfer of Afghan detainees. The government refused, citing national security concerns. Speaker Milliken ruled that a breach of privilege did occur. He stated that "procedural authorities are categorical in repeatedly asserting the powers of the House in ordering the production of documents. No exceptions are made for any category of government documents, even those related to national security." His finding of a *prima facie* breach of privilege ultimately came down to the Legislature's ability to request documents to hold the government to account.

I would like to draw to the attention of the committee some recent developments regarding the issue at hand. More importantly, if the litigation on the Mississauga and Oakville power plants is so commercially sensitive, why were documents available to the media and the public through court? The Minister of Energy and the Ontario Power Authority, at the very minimum, should have provided those documents to the committee. As such, the minister's and OPA's disregard for the authority of the committee, I believe, is a *prima facie* breach of the Legislature's privileges and constitutes contempt of the House.

The remaining element of this issue before us is whether the Minister of Energy was correct in his ability to use a form of the sub judice convention. Former Speaker of the House of Commons the Honourable Jeanne Sauvé ruled that when considering a *prima facie* matter of privilege "the House has never allowed the sub judice convention to stand in the way of its consideration of a matter vital to the public interest or to the effective operation of the House and its members."

O'Brien and Bosc cite the first report of the Special Committee on the Rights and Immunities of Members, which—this is on page 100—"recommended that the imposition of the convention should be done with discretion and, when there is any doubt in the mind of the Chair, a presumption should exist in favour of allowing debate and against the application of the convention. Since the presentation of the report, Speakers have followed these guidelines...." Mr. Chair, I would suggest that allowing further debate would be to inform the Speaker about what happened here through a report from committee and recommend that the House take whatever measures it deems appropriate.

Thank you, Chair.

The Chair (Mr. Michael Prue): Thank you. A question of privilege has been raised and I must rule on

it—not the question of privilege per se, but whether or not it is a question of privilege.

I had no idea this was going to come up today, but evidently the clerks' office did, and they have provided me with some guidelines. I've read through them in advance of what was said just to see exactly what a Chair is required to do.

I'd like to quote, in part, from what was provided to me, because I think it's quite instructive. It says what the responsibility of a Chair in this Legislature is, what the responsibility of the Legislature is, and what that of the Speaker is, because they're all separate, of course.

From this document, just a few—well, I guess maybe 15 or so sentences need to be read from the entirety of it.

"Since the House has not given its committees the power to punish any misconduct, breach of privilege, or contempt directly, committees cannot decide such matters; they can only report them to the House. Only the House can decide if an offence has been committed."

Then it goes on to talk about the Speaker.

It goes on further in this document which has been given to me as the Chair:

"Unlike the Speaker, the Chair of a committee does not have the power to censure disorder or decide questions of privilege. Should a member wish to raise a question of privilege in committee, or should some event occur in committee which appears to be a breach of privilege or contempt, the Chair of the committee will recognize the member and hear the question of privilege, or in the case of some incident, suggest that the committee deal with the matter. The Chair, however, has no authority to rule that a breach of privilege or contempt has occurred. The role of the Chair in such instances is to determine whether the matter raised does in fact touch on privilege and is not a point of order, a grievance or a matter of debate. If the Chair is of the opinion that the member's interjection deals with a point of order, a grievance or a matter of debate, or that the incident is within the powers of the committee to deal with, the Chair will rule accordingly, giving reasons. The committee cannot then consider the matter further as a question of privilege. Should a member disagree with the Chair's decision, the member can appeal the decision to the committee (i.e., move a motion 'Shall the decision of the Chair be sustained?'). The committee may sustain or overturn the Chair's decision."

Now, getting to the nub of the whole thing:

"If, in the opinion of the Chair, the issue raised relates to privilege (or if an appeal should overturn a Chair's decision that it does not touch on privilege), the committee can proceed to the consideration of a report on the matter to the House. The Chair will entertain a motion which will form the text of the report. It should clearly describe the situation, summarize the events, name any individuals involved, indicate that privilege may be involved or that a contempt may have occurred, and request the House to take some action. The motion is debatable and amendable, and will have priority of consideration in the committee. If the committee decides that the matter should be reported to the House, it will

adopt the report which will be presented to the House at the appropriate time under the rubric 'Presenting Reports from Committees' during routine proceedings."

Then it goes on to say that the matter must be dealt with by the Speaker.

I listened intently, and I have read this motion. With the exception of one paragraph that I do have a problem with, I think the motion carries what is being conveyed by Mr. Leone. And we can get into that, should it be debated or should the committee wish it to go ahead. But it is quite clear, given what has been stated, that this is not a matter of a point of order, it is quite clear that it is not a matter of a grievance and it is quite clear that it is not something that can be dealt with in any other way, save and except as a matter of privilege. Therefore, I think I have no option other than to say he is raising a matter of privilege and that must be referred to the House and to the Speaker for a decision. It is not my decision whether or not it constitutes privilege. That is within, and only within, the ambit of the Speaker of the House.

What would then fall to us today—this is a debatable and amendable motion—is that it is open for debate and amendment whether to change any or all parts of this question of privilege. Does anyone wish to speak to it?

Mrs. Teresa Piruzza: Just with respect to the motion itself, given that we've just received it and I've been listening as well to the comments that were made following the reading of the motion itself—and, Chair, you will of course recall that we did have this discussion, this debate with respect to the sub judge ruling on May 16. We've pointed out a number of elements in terms of how we believe some of this information could prejudice the interests of parties involved in legal proceedings. We had that full debate. It was a lengthy debate. You did review the points we had made at that point, and in fact you didn't indicate that it was not in order. What you did indicate, however, is that the minister has the right to decline either giving the documentation or giving voice to that documentation during his answering, or the release of the documents. If I recall, during that discussion, your ruling at the time was that the motion could go forward, but what would be produced would be with respect to what the legal proceedings were and what the minister and his legal advisers considered to be reasonable with respect to releasing the information.

I recognize you're not ruling right now with respect to the breach or the conflict, as Mr. Leone has indicated in his motion, but I'd just like to remind everyone that the ruling was that the documentation that would have come forward would be reviewed by legal, and what would be released is what was considered to be appropriately released at that point.

On that matter as well, are you suggesting that we're voting on this motion? Is there going to be further debate, or what will be the process?

The Chair (Mr. Michael Prue): We're not voting on the motion. I have ruled, because I am compelled to rule, that this is a question of privilege because it is a question of privilege. I am not stating whether it is in order; I am not stating that it is well founded; I am not stating any-

thing else other than it is a proper question of privilege. Mr. Leone has raised this question of privilege, which is his right to do, and it must be referred to the Speaker and to the House. Those are the rules that I must follow, that we all must follow.

The only question now is—he has read out his motion. It is a debatable motion, and it is amendable. So if you think that there is any aspect which is contained herein that is not correct and should be amended, or if you want to debate that, then you're entitled to do so.

I must state that I think that paragraph 2 does not capture exactly what I intended or did state to this committee, and perhaps that is something that you may wish—I cannot amend it. I'm the Chair, but I am citing that if you see that paragraph 2 does not actually capture what was done, then you have the authority to move an amendment to change that.

Mrs. Teresa Piruzza: Would we be provided with 20 minutes to review this and determine if amendments are required?

The Chair (Mr. Michael Prue): That is in order, if you wish 20 minutes. It's only at the time of vote, though, is it not?

Interjection.

The Chair (Mr. Michael Prue): Only at the time of vote. I'm sorry, no. Twenty minutes is only at the time of vote, but yes, that can be accommodated when we're at that—

Interjection.

The Chair (Mr. Michael Prue): But you can ask for a recess by agreement to look at it, if you feel that you need that. If you want a recess, simply ask for it and we'll see whether it's the will—

Mrs. Teresa Piruzza: I would suggest, just given the length of the document and the type of allegations that are being made within the motion, I would need time to review this and then determine.

The Chair (Mr. Michael Prue): Okay. So you're asking for a recess.

Mrs. Teresa Piruzza: I am asking for a recess.

The Chair (Mr. Michael Prue): For what period of time?

Mrs. Teresa Piruzza: Let's say 10 minutes.

The Chair (Mr. Michael Prue): There is a request for a 10-minute recess. Are we in agreement?

Interjections: No.

The Chair (Mr. Michael Prue): I've heard some noes. All those in favour of a 10-minute recess, please indicate. Those opposed? It is tied. It's three to three, with one abstention. Therefore, again it falls to the Chair. I want to try to be fair to all parties. I think it's important. This is an important matter. I am going to allow the recess. I am going to vote in the affirmative for the 10-minute recess. It is, as you have stated, a lengthy document, and that would be my rationale. We stand recessed for 10 minutes.

The committee recessed from 1644 to 1654.

The Chair (Mr. Michael Prue): The meeting is resumed. Any further discussion?

Mr. Rob Leone: Chair, we have a friendly amendment that we would like to put forward.

In paragraph 2, we would like the last sentence to end after "sub judice principle," and strike out "which the Chair ruled was out of order for compelling and correct reasons, on the advice of the clerk."

The Chair (Mr. Michael Prue): I would not take that to be a friendly amendment, but it is an amendment. It's not like one word that's going to—okay, it is an amendment.

We have an amendment on the floor. Discussion on the amendment? Any discussion on the amendment? All those in favour?

Interjection.

The Chair (Mr. Michael Prue): Pardon? All those in favour of the amendment?

Mr. Reza Moridi: Mr. Chair, I have a point.

The Chair (Mr. Michael Prue): That's what I asked: Is there any discussion? I did not see an indication—

Mr. Reza Moridi: Yes, I was pushing the button. Sorry; I forgot to raise my hand.

The Chair (Mr. Michael Prue): No; don't push the button in here. You have to wave.

Mr. Reza Moridi: I was pushing the button. Sorry.

The Chair (Mr. Michael Prue): We'll cancel that and we'll go back. Mr. Moridi, the floor is yours.

Mr. Reza Moridi: Thank you, Mr. Chair. We've read this motion and we have serious issues with this motion, so we would like to bring our own amendments to this motion. I request a 20-minute recess so that we can bring our own amendments to the motion.

The Chair (Mr. Michael Prue): We have an amendment that is on the floor now. As soon as we've finished with that amendment, I will recognize you next and you can make that request. But the amendment is on the floor and we're in the middle of a vote.

The amendment is to delete the words "which the Chair ruled was out of order for compelling and correct reasons, on the advice of the clerk." That is the amendment.

All those in favour of the amendment to delete those words, please signify. Opposed?

Mr. Vic Dhillon: Chair, we would like a 10-minute recess.

The Chair (Mr. Michael Prue): A 10-minute recess for the purpose of?

Mr. Vic Dhillon: We need to discuss a few things on our side, so if we can have—

Interjection.

The Chair (Mr. Michael Prue): We're in the middle of a vote. This should have been raised before the—

Mr. Vic Dhillon: But this is the first time that this amendment is coming up.

The Chair (Mr. Michael Prue): Yes, that is correct. But when I asked if there was any discussion, that is when that should have been said: "We request a—"

Interjection.

The Chair (Mr. Michael Prue): But we are in the middle of a vote. I just have some difficulties with this. I

want to be fair, again, to all parties. Had you asked for it earlier, you would have an unqualified right—

Mr. Vic Dhillon: But earlier, Mr. Leone requested the adjournment of the committee and then a 20-minute recess was requested.

The Chair (Mr. Michael Prue): Yes, and—

Mr. Vic Dhillon: So what's the difference?

The Chair (Mr. Michael Prue): You need to listen to what I'm saying. You have an unqualified right to ask for this, but you have to ask for it at the appropriate time. The opportunity was there for you to have done so, and you have an unqualified right for it. Unfortunately, I have asked for those in favour and I have a vote, and now I am compelled to ask who is opposed. If there is anything else—

Mrs. Teresa Piruzza: Chair, under the circumstances—I believe Mr. Dhillon was trying to push the button to ask for a recess while you were looking over there, to request the 20-minute recess on this vote.

The Chair (Mr. Michael Prue): In fact, were you trying to do that?

Mr. Vic Dhillon: Absolutely.

Mrs. Teresa Piruzza: Yes.

The Chair (Mr. Michael Prue): Okay, then that's fine. I'm going to, again, err on the side of giving everybody the correct opportunity. Since you were attempting to do that, we will negate the vote. You have the right for a 20-minute recess to discuss this amendment.

This committee is recessed for an additional 20 minutes.

The committee recessed from 1658 to 1718.

The Chair (Mr. Michael Prue): The meeting is called to order. We are now in the process of calling the vote. We have a motion to delete the words “which the Chair ruled was out of order for compelling and correct reasons, on the advice of the clerk.” That's the motion to delete. All those in favour of deleting those words? Opposed? That motion is defeated.

Mr. Rob Leone: Mr. Chair, can we call the question on the motion, please?

The Chair (Mr. Michael Prue): Call the question? You're attempting now to limit debate?

Mr. Rob Leone: That's correct, sir.

Mrs. Teresa Piruzza: I have an amendment that I'd like to bring forward.

The Chair (Mr. Michael Prue): I know, but he has called the question. Calling the question—

Interjection.

The Chair (Mr. Michael Prue): Yes, so—

Mrs. Teresa Piruzza: —want you to put that into the—he added that at the end. Come on: No.

The Chair (Mr. Michael Prue): Calling the question with other amendments forthcoming I don't think would be fair, so I'm going to say no. It generally does take precedence over, but—you have amendments. Please make them.

Mrs. Teresa Piruzza: Thank you, Chair. Thank you for providing us the opportunity to bring forward this amendment prior to calling the question on this motion.

With respect to Mr. Leone's motion for the Standing Committee on Estimates with respect to production of documents, our amendment is with respect to the last paragraph. If we move down to the last paragraph, down to the second-last line:

I move that in the last paragraph of the motion, the following words be added after “the documents and information it ordered”: “except those documents that are protected by solicitor-client privilege or commercial sensitivity, or documents that, if released, would affect the interest of Ontarians in legal and other commercial proceedings.”

That is some additional wording that we would like added to that final paragraph.

The Chair (Mr. Michael Prue): Everybody has that motion before them? Okay, then, any debate? Mr. Zimmer.

Mr. David Zimmer: Just give me a second. So we're debating Ms. Piruzza's amendment?

The Chair (Mr. Michael Prue): That is correct.

Mr. David Zimmer: Chair, I've been asked to attend the committee and I, the other day and again this morning and just before I came in, had the opportunity to read your ruling on this matter of what the minister has to produce in terms of documents relating to what I'll refer to as the Oakville and Mississauga properties.

I note, reading from the Hansard transcript of May 16, 2012, at page E39 in the left-hand column, the pertinent points for my discussion here are:

“Notwithstanding the learned position put forward by Ms. Piruzza,” with respect to other parts of her motion, the Chair then went on to say, “there was one point in which she stated that the minister, of course, has every right to decline.” The Chair reflected on that submission of Ms. Piruzza and went on to say, “I think that that is perhaps the saving grace to allowing this to proceed.

“I would have to rule, in my opinion, that this motion is in order, because the committee has the right to ask for documentation, as Mr. Leone has pointed out in his counter-argument. They,” referring to the opposition, “have the right to ask for the documentation.” The Chair then went on to say, “The minister has the right to decline either giving that documentation or giving voice to that documentation during his answering of the questions.”

Further, on page E39 of Hansard, May 16, 2012, in the right column, the Chair recognized that it was a difficult issue, but went on to say, after obviously careful thought, “I would advise that I'm going to allow the motion to proceed, but I would also advise ... the minister ... knows full well that he may choose to answer the question in such a way as not to prejudice the province in any way, and I would expect him to do so. That would be my ruling.”

So we now have the situation here, which is really quite a unique situation, where, if the second attempt to have the minister answer questions he has chosen not to or to provide documentation he has chosen not to—if the minister was compelled to do that, in effect, what we have here is this bizarre situation of the Chair having to act, if you will, against his own ruling.

The Chair, when this was debated at length—and I did have the opportunity to read it over at length. I note that, among other things—and I think this is important. It's an important matter, because it's going to place the Chair in this weird legal position where he's going to have to in effect overrule his ruling. Now—

The Chair (Mr. Michael Prue): I want to cut you off here.

Mr. David Zimmer: Yes.

The Chair (Mr. Michael Prue): The Chair has no authority—you were not here earlier. I have no authority over points of privilege. A point of privilege has been made and it must be referred to the House and to the Speaker. I cannot and I will not be ruling on the point of privilege.

Mr. David Zimmer: I appreciate that, but I want to get this on the record—

The Chair (Mr. Michael Prue): Go ahead.

Mr. David Zimmer: I've got 20 minutes to do that. I want to get that on the record, because if this does work its way further along the ladder, so to speak, I think it's important that those people who are going to have to address this down the road, if it gets that far, understand the difficult situation here.

The Chair—and I compliment you, Chair, on the way that you applied your analysis to this difficult idea. In fact, the Chair went on to say—and I don't think I am going to read in the entire paragraph, because I want people down the road to know what has been going on here on this issue.

"The Chair (Mr. Michael Prue): I had no idea when I agreed to be the Chair of this committee that it would be so contentious so quickly.

"I had an opportunity to look at the motion"—this is the motion to compel the minister to answer certain questions and produce certain documents.

"I had an opportunity to look at the motion"—

Mr. Peter Tabuns: Excuse me. Mr. Chair, on a point of order: This doesn't seem to be addressing the amendment.

Interjections.

The Chair (Mr. Michael Prue): It's skating—on your point of order, I think your point of order is not well taken. I mean, I'm trying to give some latitude here. My ruling was on a point of order, which I am compelled to make. This is a point of privilege, which I am not allowed to make. That is the sole prerogative of the Speaker.

The motion that we have before us, with the greatest of respect, would have little to do with my ruling. This is an amendment to the point of privilege, which is within the parameter of this committee.

You have 20 minutes, but I think whatever I said may or may not hold great relevance to what has been put forward by Ms. Piruzza.

Mr. David Zimmer: Yes. Well, thank you, Chair.

"The Chair (Mr. Michael Prue): ... that it would be so contentious so quickly."

The Chair then went on to say, "I had an opportunity to look at the motion because it was circulated or

attempted to be circulated yesterday. I took the liberty of discussing with the clerks' department and with the legal department what might be involved here, in terms of the sub judice rule, in terms of the minister's right to answer or not answer, or to divulge the documents or not divulge the documents.

"Notwithstanding the learned position put forward by Ms. Piruzza, there was one point in which she stated that the minister, of course, has every right to decline. I think that that is perhaps the saving grace to allowing this to proceed.

"I would have to rule, in my opinion, that this motion is in order, because the committee has the right to ask for documentation, as Mr. Leone has pointed out in his counter-argument."

Mr. Rob Leone: A point of order, Mr. Chair.

The Chair (Mr. Michael Prue): On an additional point of order, Mr. Leone.

Mr. Rob Leone: Mr. Chair, under standing order 23(c), we have: "Persists in needless repetition or raises matters that have been decided during the current session." I believe these are matters that you have already had the opportunity to make a decision on and provide a ruling, to which the member, Mr. Zimmer, is referring.

Also, under standing order 23(d): "In the opinion of the Speaker, refers at length to debates of the current session, or reads unnecessarily from verbatim reports of the legislative debates or any other document."

I think, Mr. Chair, that you would agree that Mr. Zimmer is actually partaking in such repetition and reading from the Hansard. Therefore, Mr. Chair, I believe that we've dealt with a lot of the issues that Mr. Zimmer is now raising and that we should proceed to debate the amendment as presented.

1730

The Chair (Mr. Michael Prue): The point of order raised by Mr. Leone is, in part, well taken. The ruling that the Chair made was on a point of order previously made by Ms. Piruzza, and I had to rule on that point of order because the question was whether or not the minister had to respond to the questions of Mr. Leone, which I felt he did. There is a sub judice rule, but I don't see how my point of order reflects on the point of privilege and the motion that is before us. You know, I don't see it.

I'm trying to give some latitude to Mr. Zimmer. He is a parliamentarian of some stature and some considerable time. But the issue before us—Mr. Leone is, in part, correct—is the motion that has been made by Ms. Piruzza. It's whether or not you think this is a good motion or a bad motion, rather than reflecting on a ruling that I was compelled to make some two weeks ago to the minister.

Mrs. Teresa Piruzza: Chair? I'm sorry, finish off. Okay.

The Chair (Mr. Michael Prue): Is it a point of order? I've just ruled on that one. If not, I'm giving the floor back to Mr. Zimmer.

Mrs. Teresa Piruzza: Okay.

Mr. David Zimmer: Thank you. You've said, in part—the amendment here—I mean, read what the

amendment says: “Except those documents that are protected by solicitor-client privilege or commercial sensitivity, or documents that, if released, would affect the interest of Ontarians in legal and other commercial proceedings,”

This is the very nub of the thing. We’re trying to protect—the amendment here protects the minister’s right to answer the questions how he sees fit and to disclose what documents he sees fit, which is something that you, Chair, on May 16 already spoke to, in effect that, yes, the opposition parties have the right to ask questions and, yes, the minister has to listen to those questions and, yes, the minister has to provide his response to those questions. If his response is in the nature of, “I understand the question; you want this document and this information, but I’m not prepared to answer that or release these documents for that reason”—you’re right in one sense, Chair, that this was dealt with on the 16th, but we’re back here today and the opposition parties are coming at it a second time.

In response to their coming at it a second time, Ms. Piruzza has put forward an amendment to their motion, to take us back to where we were on May 16, when you made your ruling, Chair, that the questions can be asked and the minister will answer them as he sees fit.

The minister then, at some point, released a letter—I think it was around 4:30 or 5 o’clock in the afternoon. It was a lengthy, lengthy letter, and I’ve got a copy here and I’m prepared to read that into the record again. It was a lengthy document in which he gave very, very detailed analysis and a refined answer as to why he was not in a position, or not prepared, to answer those questions or release documents that would place the negotiations, the taxpayers’ dollars, in jeopardy.

Ms. Piruzza, in response to this second attempt to do what they tried to do on the 16th—and the Chair made his ruling—has brought an amendment to the motion. And I agree: It takes us right back to where we were on the 16th with the motion, because her amendment to the motion says—okay, we’re going to add this to the motion: “Except those documents that are protected by solicitor-client privilege or commercial sensitivity, or documents that, if released, would affect the interest of Ontarians in legal and other commercial proceedings.”

You see, the irony is, we keep coming full circle on this thing. The reason we come full circle—this is the second time you’ve heard these arguments—is because the opposition parties are at it again, so we bring the amendment again. I rather expect, to follow the idea of rulings being consistently applied—and I’m not in any way telling the Chair how the Chair should rule, but you already ruled on this on the 16th. There are no new arguments. Certainly the arguments on this side substantiate or are in support of Ms. Piruzza’s amendment. We’re going back full circle, so I expect—maybe they’ll be here next week and bring another motion, ask the minister to answer questions, release documents; there’ll be an amendment to the motion by Ms. Piruzza saying, “Yes, okay, fine, we’ll do that, except those documents that are protected” and so forth and so on, and I’ll be

back here making the same arguments and the circle goes around.

This has already been decided. I think it’s important to know and to recognize, whoever is going to sort this out later on down the road, if that’s where the folks are going to take it, that the Chair went on to say—there’s a point at which he stated, “The minister, of course, has every right to decline. I think that that is perhaps the saving grace to allowing this to proceed.

“I would have to rule, in my opinion, that this motion is in order, because the committee has the right to ask for documentation”—yes—“as Mr. Leone has pointed out in his counter-argument. They have the right to ask for the documentation. The minister has the right to decline either giving that documentation or giving voice to that documentation during his answering...”

This is the part that I want in the record for the benefit of those down the road who may have to sort this out, because the Chair did not rule casually, if I can put it that way. The Chair, a long-standing member of this Legislature, I think in anybody’s judgment—whether they be Conservatives, NDP or Liberals, they recognize the Chair as an experienced parliamentarian, a thoughtful parliamentarian. I would expect nothing less of him that he would give it the full attention and the detailed analysis and—and, and, and—seek the best possible advice in rendering his ruling. The Chair did that.

He went on to say, and this is the important part, “I further went to the legal department and asked about whether the case is before the courts and things like that, and I’m not sure at this point—and I can be corrected if anybody has this knowledge—but the legal department stated to me that in civil proceedings the rule is said to apply from the time that the action is set down for trial, although some authorities say that it is from when the trial actually begins until judgment”—this is all about the matter being before the courts and so on and when the clock starts to run—“and again from the time that a notice of appeal is filed until there is a decision on the appeal. So I’m not sure that that action has actually begun at this time, which would mean that it would be sub judice under the courts.

“Further, I asked about the extent to which the Chair has to determine the status of the judicial proceeding, and was advised that the Chair should not be engaging in a sophisticated information-gathering exercise or legal analysis.”

He, referring to the—

Mr. Peter Tabuns: Mr. Chair, point of order.

The Chair (Mr. Michael Prue): On a point of order, Mr. Tabuns.

Mr. Peter Tabuns: I think that Mr. Zimmer, as much as I have great admiration for him, is taking us into an area that has little to do—frankly, nothing to do—with the amendment before us. The minister has said in the past his problem was he didn’t want to present material that was sub judice—under consideration in the courts. The amendment is talking about documents that are protected by solicitor-client privilege.

We're talking about two different matters here, Chair. We've got a minister who would use a defence in questions in the Legislature that something was sub judice, but that's not what we're dealing with here. We're asking for production of material. There is an amendment by the Liberals that doesn't even address that argument.

Chair, this is out of order. Can we move on?

Mr. Rob Leone: Same point of order.

The Chair (Mr. Michael Prue): I have been intrigued, and I think Mr. Zimmer has about 30 seconds left, so I'm not going to rule on that. I'm going to give him his full 30 seconds to conclude.

Mr. David Zimmer: Yes. "He went on"—that is the lawyer, I guess you were talking to, Chair—"to tell me that the clause should be seen as a procedural counterpart to the legal maxim that the onus is on he or she who alleges, meaning that the party alleging irregularity has to convince the Chair of the merits of his" argument.

1740

Obviously you weren't convinced of the merits of the argument because your ruling was, "Yes, you can answer the questions"—that's part one; part two is, "The minister can deal with the questions as he deems fit." He can answer the questions; he cannot answer the questions. He can answer them however he wants. He can produce the documents; he cannot produce the documents.

Chair, I think, with all due respect, the matter has already been dealt with and we're just going in a circle. If we don't break the cycle, we're going to be here next week. It'll be the same motion. Ms. Piruzza will have the same amendment. I'll have the same arguments. I think that's 30 seconds.

The Chair (Mr. Michael Prue): Thank you. I just want to be clear for everyone for the record. I am the Chair. This is before the committee. The committee will vote. The only way that I would be involved in this at all is should it be a tie. Other than that, it is before the committee. It is before the eight voting members of the committee. Mr. Zimmer and Ms. Thompson, as members of the Legislature, can speak, but cannot move motions or vote. That's who it's before. It is not before me, just so everyone—

Mr. David Zimmer: I'm just urging the Chair to be consistent in your thinking on this matter.

The Chair (Mr. Michael Prue): I am consistent in my thoughts. Thank you.

Further debate? Mr. Harris.

Mr. Michael Harris: With regard to Ms. Piruzza's amendment, for the record I just want to draw to the committee's attention a Tuesday, April 27 Hansard—a Speaker's ruling in the House of Commons on the provision of information to the Special Committee on the Canadian Mission in Afghanistan that reads that "the fundamental right of the House of Commons to hold the government to account for its actions is an indisputable privilege and in fact an obligation.

"No exceptions are made for any category of government documents, even those related to national security." As well, he goes on to read, "Bearing in mind that the

fundamental role of Parliament is to hold the government to account...."

I just wanted to strike that discussion for the record as per Ms. Piruzza's amendment.

Mr. Rob Leone: Mr. Chair?

The Chair (Mr. Michael Prue): Mr. Leone.

Mr. Rob Leone: Mr. Chair, you probably wish you'd called the question when I asked you to, but we've engaged in a long, long discussion here about what was said or what wasn't said. I will restate for the record that, Mr. Chair, you participated in this insofar as you voted in favour of the original motion to produce the documents that we are discussing today. Therefore, a lot of what Mr. Zimmer was talking about I think had nothing to do with the very fact of what we're doing here. The only thing that was being repeated is the fact that he read verbatim from Hansard all the stuff that happened that actually didn't pertain to the motion that we're discussing right now.

I would say, in referencing again: As a parliamentary democracy, we must maintain our ability to hold the government to account to ensure that the government is transparent, and, in doing that and in carrying through our obligations, we have to have unfettered access to documents.

I've cited during my presentation—and I'm sure Mr. Zimmer hasn't read the Hansard on that quite yet as it was just stated very recently that there are two very recent federal issues with respect to unfettered access to documents. One was raised by a Liberal MP in the federal House, Scott Brison, who asked for documents related to financial documents, and we also talked about, as my colleague Mr. Harris has stated, about Mr. Harris.

Mr. Chair, I would suggest that most of the comments that Mr. Zimmer made were not with respect to the motion at hand, and once again I would like to call the question on this amendment.

The Chair (Mr. Michael Prue): First of all, I have to see whether there is further debate. Any request for further debate?

Mrs. Teresa Piruzza: Yes. Just on that point with respect to some of the comments that were just made, whether discussions we've had in the past are relevant or not relevant to the amendment and to this motion, I would suggest that all of the above is true; in fact, they are very relevant.

The amendment is simply requesting, with respect to documents that come forward, that those that are protected by solicitor-client privilege or are commercially sensitive not be released.

With respect to any documentation, I don't think any one of us would like to see documents that are under solicitor-client privilege or involved in legal proceedings be released, which would then jeopardize any involvement with respect to Ontario, as we've discussed in the past.

It does get back to your ruling, Chair, with respect to the first part of their motion, indicating that there's a contempt or breach occurring here. You indicated in your ruling that in terms of a response, the minister or the

ministry would respond to that question. However, some documents may not be released if they are sensitive in nature. I remember the discussion we had.

I'm not going to back into the whole discussion with respect to standing order 23(g) and the sub judice rule and points that I've made in the past. But even as recently as this morning, Chair, you've indicated that the minister has the right to respond in the way that he wishes. The objective of the amendment is to ensure, again, that we are protecting solicitor-client privilege, something that I don't think any one of us would want to rule against, with respect to any of our interests, with respect to Ontario, either the Ministry of Energy or any other ministry, for that matter, because, certainly, again, as the amendment indicates, we wouldn't want to affect the interest of Ontarians in legal and other commercial proceedings.

With all due respect, I would suggest that all the comments that have been made with respect to this amendment and this motion are, quite frankly, relevant in terms of going forward.

Mr. Rick Nicholls: Speaker, if I may?

The Chair (Mr. Michael Prue): Further debate? Mr. Nicholls and then Mr. Moridi.

Mr. Rick Nicholls: Again, Speaker Milliken actually, at one point, had made a comment with regard to that. It was with regard to "procedural authorities are categorical in repeatedly asserting the powers of the House in ordering the production of documents. No exceptions are made for any category of government documents..." Therefore, the Chair must conclude that it is perfectly within the existing privileges of the House to order production of the documents in question. The Honourable Jeanne Sauvé also had made that ruling as well. Therefore, again, I would call for the question.

The Chair (Mr. Michael Prue): Mr. Moridi.

Mr. Reza Moridi: Mr. Chair, I don't know how many hours the minister has been in this committee—maybe around 10 hours or more. He has been here with his senior staff—the deputy and the three assistant deputy ministers—attending this committee for hours and hours. We fired questions at the minister, and he has been answering all questions with regard to various activities of his ministry, from nuclear power plants to water power plants to solar energy, wind energy, biomass, biogas, gas power plants, water plants. He has been answering, to the best of his knowledge, all kinds of questions that we raised in this committee. The minister and also his senior staff talked about renewable energy, the review of the FIT program. You just name it: There have been lots of questions raised in this committee, and the minister answered all these questions—he himself and his senior staff.

With regard to these points mentioned in this motion, the point is that as parliamentarians, particularly as members of this committee, we have to put politics aside and look after the interest of Ontarians and see where is the interest of Ontarians. Is the interest of Ontarians that we push the minister to come up with sensitive commercial information, to publicize sensitive commercial informa-

tion? Of course not. The minister has responded to all questions which are relevant and in the interest of this committee and in the interest of Ontarians.

I think this motion has a political agenda behind it, and I fully reject this motion because it's not in the interests of—

Mr. Rob Leone: So you reject your amendment?

Mr. Reza Moridi: I personally reject this motion, yes.

Interjections.

Mrs. Teresa Piruzza: We're talking about the amendment.

1750

Mr. Reza Moridi: Yes, I'm talking about this motion.

The Chair (Mr. Michael Prue): The debate is on the amendment. Be careful what you're saying. The debate is on the amendment made by Ms. Piruzza.

Mr. Reza Moridi: Yes, Mr. Chair, but the point is that the minister and his senior staff have been answering all questions here which are relevant to this committee, and of course, there are other committees dealing with other matters within this Parliament, within this House.

Mr. Chair, I think at this point I'm just going to go back to your own ruling, where you mentioned this morning, actually, the point raised by Ms. Piruzza. You said, "I listened intently. This is not a point of order. I mean, it is an argument, but I did rule as the Chair early in the procedure that the members of this committee are entitled to ask those questions. I also ruled, I think quite fairly, that the minister may respond as he sees fit. I don't think that the point of order is well taken. Mr. Leone has the right to ask that question; the minister has the right to respond in the way that he wishes."

Then, MPP Piruzza went on saying, "Sorry, Chair—and in respect to your rulings that you've done with this as well, he's indicating that the minister is not responding, and in your comments you just indicated that the minister may respond as he sees fit with respect to the questions."

Then, Mr. Chair, you said, "The minister is responding, perhaps not as Mr. Leone wishes, but the minister has responded. Mr. Leone, though, is entitled to ask this question."

"I'm going to add another minute...."

That is basically what you ruled, Mr. Chair. The minister has responded and is responding in the interests of this province. I think he has done the right thing, and I defer to your own ruling that the minister has done what needs to be done. Basically, that's it.

The Chair (Mr. Michael Prue): Mr. Dhillon.

Mr. Vic Dhillon: Ms. Piruzza's amendment reads that "in the last paragraph of the motion, the following words be added after 'the documents and information it ordered,': 'except those documents that are protected by solicitor-client privilege or commercial sensitivity, or documents that, if released, would affect the interest of Ontarians in legal and other commercial proceedings,'"

It's my firm belief—I think all of us believe this—that we're all here to represent the best interests of Ontarians. The opposition keeps bringing up the House of Commons example. If my memory serves me correctly, when

those documents they are referring to were released, they were heavily blacked out for national security concerns. Ms. Piruzza's amendment to the motion is asking something similar: that documents that are protected by solicitor-client privilege or commercially sensitive documents that would go directly against the interests of Ontarians not be released. With respect to their argument about the House of Commons example in regard to the Afghan documents that were released, I think this is a very similar request.

Mr. Rob Leone: Mr. Chair, could you put the question, please?

The Chair (Mr. Michael Prue): I don't have any other speakers. I just want to confirm: Are there any other speakers?

No other speakers being identified, we're going to call the vote.

Interjections.

The Chair (Mr. Michael Prue): I asked if there were any other speakers; there was no indication.

Interjections.

The Chair (Mr. Michael Prue): I am fallible, but I did ask the clerk. She did not see any hands go up either.

Intervention: Call the question.

The Chair (Mr. Michael Prue): The question has been called.

All those in favour of the motion of Ms. Piruzza, please signify.

Intervention: In favour?

The Chair (Mr. Michael Prue): In favour. Mr. Zimmer, you cannot vote. Don't be confusing this issue.

Mr. David Zimmer: My apologies, Chair.

The Chair (Mr. Michael Prue): Okay. I saw four hands.

All those opposed? I see four hands.

I think I need a raise.

Interjections.

The Chair (Mr. Michael Prue): I have listened intently to the debate and what is before us today and I am very mindful of the decisions that I have been forced to make over the course of the many days of these hearings. There has been a lot of procedural wrangling and there have been requests made.

I continue to believe that the estimates committee is empowered to ask questions, sometimes difficult questions, of ministers. That is what estimates exists for, that is the purpose of our job—to hold ministers to account.

The minister before us is a learned and capable minister. He is a lawyer of some considerable standing in the province of Ontario and he knows full well the rules of what he should and should not release. The documents have been requested. There are many options available to ministries. They can release the documents to committee in camera, they can release the documents and redact those portions which need to be redacted, or they may, in some instances, invoke the sub judice rule.

I ruled before what the sub judice rule means. The sub judice rule means that the case is actually before the

court in proceeding. That's why I read it into the record. I have yet to hear, with the exception, which I read in the newspaper, of a court proceeding taking place in New York state, that there is anything before the courts in Ontario.

So the question comes down to, what can the minister be compelled to do? The motion of Mr. Leone is that he give up those documents. The motion of Ms. Piruzza is that he give up the documents except those documents—and there's a lengthy list here. The lengthy list is documents that are protected by solicitor-client privilege, one; two, commercial sensitivity; three, that documents, if released, would affect the interests of Ontarians in legal proceedings; and four, commercial proceedings. That is a huge gamut.

I'm casting a deciding vote and I'm making the explanation because I know that I'm on the hot seat on each and every vote in this place. That's the reality of this committee and the nature and makeup of the committee. I cannot in all conscience vote for Ms. Piruzza's amendment because it is far more far-reaching than that on which I ruled earlier. The ruling before was those documents which are truly sub judice and that the minister knows full well which documents are of such a legal nature that it would prejudice a legal decision. The courts have ruled on this; Parliament has ruled on this. You can read in the learned books; they have ruled on this.

The points that have been made by Mr. Leone and, to a limited extent, by Mr. Harris are well taken. The House of Commons has said that the committees have this right, and I, as the Chair, have to insist that that right be respected.

I'm not going to vote for this. I'm going to cast my vote and my vote is cast in the negative, so the motion fails. But notwithstanding that, I am trying to be clear and consistent in what is being said. The minister has the right to—the members have the right to ask the questions, and the minister, in his wisdom, upon legal advice—and he is a lawyer himself—has to determine which documents are of such a sensitive nature that he can redact them or insist that they be heard in camera or, in those rare circumstances where it is sub judice, he can outright refuse. I stand by that ruling and my vote is cast in the negative.

The time—

Mr. Michael Harris: Chair, that being said—

The Chair (Mr. Michael Prue): No, no. The time is now 6 o'clock. I've been mindful of that, too, and we have to adjourn. I will hear any and all arguments; we will come back to other additional amendments, if people have additional amendments, on the next occasion, and we will hear from the minister. This is tomorrow afternoon at 3:45, approximately. Then we will proceed to finish, or to attempt to finish—we cannot finish, because we have five hours left of the questions of the minister.

The meeting is adjourned for today.

The committee adjourned at 1801.

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Mr. Michael Prue (Beaches–East York ND)

Mr. Mario Sergio (York West / York-Ouest L)

Substitutions / Membres remplaçants

Mr. Reza Moridi (Richmond Hill L)

Mrs. Teresa Piruzza (Windsor West / Windsor-Ouest L)

Mr. Peter Tabuns (Toronto–Danforth ND)

Also taking part / Autres participants et participantes

Mr. David Zimmer (Willowdale L)

Clerk / Greffière

Ms. Valerie Quioc Lim

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Mercredi 6 juin 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie



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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATES

Wednesday 6 June 2012

COMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Mercredi 6 juin 2012

The committee met at 1619 in room 151.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): The meeting is called to order. We are here to resume consideration of the estimates of the Ministry of Energy, vote 2901. As of the last date and again today, there is a total of five hours remaining. It was with the official opposition, who had five minutes and still has five minutes of its 20-minute rotation.

However, we have a motion before the committee. We're now in the hands of the committee. I'm given to understand that there are a series of amendments that are being proposed. Mr. Harris.

Mr. Michael Harris: Thank you, Chair. Knowing we had a fulsome day of discussion on the motion yesterday, I think there's agreement on this side to move forward. Obviously, we want to continue the work of the committee and make sure we've got proper use of the minister's and his deputy's time. I would ask that you or we call the question on the motion.

1620

Ms. Lisa M. Thompson: Hear, hear.

The Chair (Mr. Michael Prue): You're moving the previous question?

Mr. Michael Harris: Mr. Leone's original motion.

Mr. Grant Crack: Mr. Chair, can we have a 20-minute recess?

The Chair (Mr. Michael Prue): On the previous question?

Mr. Michael Harris: I called the question, though.

The Chair (Mr. Michael Prue): Yes. This is the calling of the question. If you agree, this would simply limit the debate. The debate would be over. If you disagree, it's quite simple to vote no. Do you need a 20-minute recess to determine whether to vote yes or no?

Mr. Grant Crack: I think we do.

Mr. David Zimmer: It's a serious matter.

The Chair (Mr. Michael Prue): All right. There is a motion made. That's the motion, and if you want to—

Interjection.

The Chair (Mr. Michael Prue): Okay. The clerk has reminded me that we don't always use Robert's Rules of Order, on which I consider myself quite an expert. We do use the parliamentary rules, and it is the prerogative of the Chair, he reminds me, to simply rule the motion that

has been made by Mr. Harris out of order if I believe that there has not been sufficient debate at this point. Given that we have four motions extant right here in my hand that are about to be made, it is obvious that there is a will for more debate, so I am at this time going to say no, okay?

I would then proceed. Are there amendments to be made? Mr. Moridi.

Mr. Reza Moridi: I have a motion, Mr. Chair, to make.

The Chair (Mr. Michael Prue): Yes. If you'd read it into the record. Have they been—

Interjection.

The Chair (Mr. Michael Prue): Oh, they are being provided. All right. If you'd just wait for a moment until everyone has one, and then—

Mr. David Zimmer: Chair, have you got a copy of the motion that this is the amendment to?

Interjection.

Mr. David Zimmer: Aha.

The Chair (Mr. Michael Prue): I trust that everyone now has the motion. Mr. Moridi, would you please read the motion into the record?

Mr. Reza Moridi: I move that the motion be amended by deleting the words, "This is after the minister attempted to invoke the sub judice principle which the Chair ruled was out of order for compelling and correct reasons on the advice of the clerk."

Mr. Chair—

The Chair (Mr. Michael Prue): Just hold on. Everyone now has the motion. It's read into the record. Mr. Moridi has the floor.

Mr. Reza Moridi: Thank you, Mr. Chair. The Chair didn't rule the sub judice principle out of order in relation to the committee's proceedings. This ruling was specifically in relation to a motion put forward by a member of the government with respect to certain lines of questioning. In so doing, the Chair made several references to the ability of the minister to invoke sub judice and other areas of privilege where he felt it necessary and appropriate. The motion, as drafted, implies the minister ignored a clear ruling of the Chair that sub judice could not be invoked before the committee, which misrepresents both the ruling of the Chair and the position of the minister.

In the past few or number of meetings we've had in this committee, the minister and his senior staff who

were present at every meeting here in this committee answered every question put forward by the members of the committee. The minister and his senior staff gave us full information about the status of energy production in the province of Ontario in various areas of the energy mix. When we look at our energy mix in the province of Ontario, we see renewables, we see various hydroelectric power stations, and we have a number of nuclear reactors in operation at three different sites. Actually, it was in the news today that there are technologies in place that we might be able, in the near future, to harness hydrogen energy as well, which is very promising.

On the nuclear side, Mr. Chair, I may remind the committee that the day before yesterday actually, June 4, people celebrated the 50th anniversary of the production of nuclear energy in this province, which is very interesting that—

Mr. Rick Nicholls: Point of order, Chair?

The Chair (Mr. Michael Prue): Excuse me, we have a point of order.

Mr. Rick Nicholls: Listening to my respected colleague, I question what this has to really do with the motion that has been put forward. Therefore I would, certainly, encourage him to just move the question.

Mr. Reza Moridi: Well, I moved the question. I'll get to that—

The Chair (Mr. Michael Prue): He has moved the question. He's entitled to speak to it.

Mr. Reza Moridi: I'm speaking to the motion.

Mr. Peter Tabuns: He moved the amendment. That's what he's talking about.

The Chair (Mr. Michael Prue): Yes, you have moved an amendment, and the amendment is to delete the words. I think you should, if you can, confine yourself to why it's necessary to delete these words, not to explain about the 50th anniversary of nuclear power.

Mr. Reza Moridi: I'm going to get to the point that the minister and the ministry—

Mr. Rick Nicholls: Quickly. It's almost Thursday.

Mr. Reza Moridi: Yes—has been doing a good job in terms of making sure that the electricity flows in our power lines every single moment. Many times I have referred to electricity and its importance to our economy as the importance of blood in our veins, saying that if the blood doesn't flow in our veins, we are dead; and if electricity doesn't flow in our power lines, our economy is dead. We are so dependent upon the flow of electricity in our power lines. For that, of course, the production of electricity becomes very, very important.

One major area of our electricity generation is nuclear. We are one of the pioneers of the nuclear industry in the whole world. Actually, our technology—

The Chair (Mr. Michael Prue): If I could, Mr. Moridi; I tried to be very fair, but your motion has nothing to do with this. If you would speak to the amendment. The amendment is to delete the lines.

Mr. Reza Moridi: Yes. I'm going to get to that point, Mr. Chair.

The Chair (Mr. Michael Prue): Well, please hurry.

Mr. Reza Moridi: I'm just trying to say that the minister has answered all questions in relation to questions which, basically, were proposed in this meeting.

Again, the minister and his senior staff at the ministry, they've been doing their best to make sure that we all have power in our power lines, that electricity flows in our power lines every single moment. For doing that, the ministry—this province, actually—has long standing in the area of various technologies.

I talked briefly about nuclear, but if you take into consideration our hydroelectric production facilities in Ontario, we are the first jurisdiction in the world to have a publicly owned utility. This was after Sir Adam Beck commissioned Niagara hydro power. It's very interesting that in Ontario people refer to electricity as hydro, because of, I guess, the hydro power in Niagara Falls at the turn of the last century, 1906. It's very interesting, Mr. Chair, to remember that when Sir Adam Beck commissioned his—

The Chair (Mr. Michael Prue): Mr. Moridi, the Chair is trying to be very patient here, but your amendment is trying to delete two sentences. You've given us a rationale why you want it, and if you could speak to the rationale of why this is a good idea. If I could be of some assistance: "It is a good idea to delete these two sentences because," and then you would be speaking to the issue.

Mr. Reza Moridi: Well, Mr. Chair, I'm speaking to the point that—

Mr. Rick Nicholls: There's no point. There is no point.

Mr. David Zimmer: Well, don't interrupt him. If you keep interrupting him, he's never going to get through his thing.

1630

Mr. Rick Nicholls: Well, sir, I think we understand the rationale; it's very clear. The other stuff, it's like he's penalty killing right now; he doesn't have to penalty kill.

Interjections.

The Chair (Mr. Michael Prue): Order. Order, please—through the Chair. I have requested, and I'm requesting again, for Mr. Moridi to speak to his amendment.

Mr. Reza Moridi: Mr. Chair, the amendment basically, as I read—I'm going to read again:

I move that the motion be amended by deleting the words "This is after the minister attempted to invoke the sub judice principle which the Chair ruled was out of order for compelling and correct reasons on the advice of the clerk."

The Chair didn't rule the sub judice principle out of order in relation to the committee's proceedings. This ruling was specifically in relation to a motion put forward by a member of the government with respect to certain lines of questioning.

The Chair (Mr. Michael Prue): Mr. Moridi, the Chair has—I've never invoked this in all my time in the Legislature, but you are being repetitive, and the rules specifically state you are not to be repetitive. You've already read this into the record; now you're reading it

into the record again with the same exact words. I'm sorry; I'm going to have to—

Mr. Michael Harris: Call the question.

The Chair (Mr. Michael Prue): No, I'm not calling the question. There are other people who may want to debate. I'm going to ask that you be finished.

Is there further debate?

Mr. David Zimmer: Sorry, I didn't hear what you said, Chair.

The Chair (Mr. Michael Prue): I've stated that he has now finished what he has to say. Is there further debate? Mr. Zimmer.

Mr. David Zimmer: Thank you. Well, I think this is an important matter that this committee is dealing with right now. The main motion is very important, and the amendment is very important.

So, to put it in layman's language, what has happened here is that the main motion, which the amendment addresses—the thrust of the main motion is that the minister ought to release a lot of information about the Oakville and the Mississauga power plants. A motion was brought earlier to compel the minister to answer those questions surrounding the costs of not proceeding with Oakville and Mississauga. In the course of that, the main motion asked for some quite specific information. The minister took that under advisement and indicated, pursuant to that first motion, that he would address the matters raised in that first motion, the matters being that the motion asked for essentially the financial details surrounding the costs; that the various negotiating parties—that is, the government and the folks who are about to undertake the building of those plants—what their discussions were about and, if anything was going to be paid, who is going to pay what and what the general terms of that were.

The general response, to put it in layman's terms, of the minister was that certain information relevant to the Oakville and the Mississauga power plants was of such a sensitive nature—because the various parties to that transaction, the commercial entities, the government entities and others, were in the midst of negotiations—that it was premature at this time, in the midst of those negotiations, to disclose that information because, in the minister's opinion and in the research that the minister did and the advice that the minister sought from his officials, the disclosure of that sensitive information on the narrow point of the financials surrounding the negotiations would have the effect of impairing the negotiating position of the province. To the extent that the negotiating position of the province is impaired and the province, because that information is disclosed to adverse parties—that is, parties who have another interest in opposition or apart from the minister or the ministry, the government—ultimately the parties, the people that pay the penalty of the effect of that information coming out prematurely would be the people of Ontario, the taxpayers of Ontario.

The Chair (Mr. Michael Prue): Mr. Zimmer, again, we have an amendment. You're speaking to the main motion, and the main motion comes after the amendments.

Mr. David Zimmer: Yes, I'm coming that way.

The Chair (Mr. Michael Prue): Okay, please.

Mr. David Zimmer: It's important to know, Chair, what the amendment is trying to address in the main motion. So it's important that everybody understand the thrust of the main motion and everybody understand what the amendment then is trying to address in the main motion, so that it's fair for the taxpayers of Ontario, it's fair for the government of Ontario and it's fair to the other parties in this negotiation.

So we've got the amendment in front of us, but I have to go back to the main motion. I've got the main motion in front of me, and the key point that is really the sensitive point here that seems to have got everybody's bee in a bonnet here is the penultimate paragraph—"penultimate" means the second-last paragraph on the main motion—and it's in quotes, of the motion that was brought by Mr. Leone. I'm quoting:

"Despite that order, as a directive of the committee and despite giving ample time to comply"—so the minister said he would comply, and he in fact complied on May 30—"the Minister of Energy, the Honourable Christopher Bentley, MPP, for London West, on behalf of the Ministry of Energy, responded in writing to the committee on May 30, 2012, which included the following excerpt"—and this is what the core of the problem here is with the main motion and that our amendment is trying to address.

"In light of the confidential, privileged and highly commercially sensitive nature of these issues, it would not be appropriate for my office or the ministry to disclose information that would prejudice these ongoing negotiations and litigation."

That quote is taken from Minister Bentley's written response to this committee dated May 30, 2012, addressed to the Chair of the committee. The letter addressed the motion that the committee passed.

The motion's taken out just this one sentence here which I've just read: "In the light of the confidential, privileged and highly commercially sensitive nature of these issues, it would not be appropriate for my office or the ministry to disclose information that would prejudice these ongoing negotiations and litigation."

Now, the thrust of what the opposition parties are trying to do here is to take that single sentence and say that the Ministry of Energy, this minister in particular, Minister Bentley, is somehow trying to thwart the work of the committee and that that single sentence of his in which he speaks of the highly confidential, privileged information affecting the negotiations—he's not prepared to release that narrow band of information, if you will. It has to be considered in the context of the minister's full response because I don't want to leave the impression—and I'm certain that neither the minister, nor the ministry, nor the government, wants to leave the impression that in any way the minister or the government or the ministry is trying not to co-operate with this committee, not to release every bit and piece of information that may be of help to the committee and may inform the work of this committee.

However, there are limits to what the minister is prepared to release. So the question then becomes—because they're trying to hold the minister in contempt for this sort of stuff—is the minister's response on that narrow issue of the privileged and highly commercially sensitive nature of the negotiations in any way thwarting the work of this committee? So I asked myself the question.

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Well, the minister sent a four-page detailed response, single spaced, in which he outlined his argument, his position on why he was not prepared to release that narrow piece of information having to do with surrounding negotiations, but in addition, in the letter, covers all sorts of other things that the minister and the ministry are prepared to do to assist the work of the committee.

So before we vote on this narrow piece of whether withholding those documents, which are privileged and commercially sensitive on a particular set of negotiations, the position not to release those is contemptuous, let's have a look at everything else, all of the other detail surrounding what the minister is prepared to do.

I think a fair-minded person, fair-minded members of this committee, fair-minded members of the public, will see that when you consider the entire context of what the minister's response on May 30, 2012, was to this committee's request and they see his detailed analysis and everything else that he's prepared to do—

Ms. Lisa M. Thompson: Chair, excuse me.

The Chair (Mr. Michael Prue): Only if it's a point of order.

Ms. Lisa M. Thompson: Point of order.

The Chair (Mr. Michael Prue): Okay, point of order—

Ms. Lisa M. Thompson: With all due respect, we need to be focused on the amendment that's on the table right now as opposed to wandering all over the motion. We should be debating the specific lines that they want to take out of the motion as opposed to delving into other paragraphs etc.

The Chair (Mr. Michael Prue): I have asked Mr. Zimmer to do exactly that. I think your point of order is well taken, but he has a certain degree of latitude which he is exercising in his most lawyerly way to, I hope, eventually get to that point.

Mr. David Zimmer: Yes. We're getting there, but I welcome any interruptions and will deal with them.

The point now that I'm going to move to is getting to the core of it. I think you have to consider not just the minister's response that you've excerpted from his letter of May 30, 2012, that one sentence, but what else has the minister said in response to the committee's directive to him to release all of the information.

Here's what the minister said, May 30, 2012:

"Mr. Michael Prue, MPP, Chair

"Standing Committee on Estimates

"Legislative Assembly of Ontario

"Toronto, Ontario

"M7A 1A2

"Dear Mr. Prue:

Mr. Rick Nicholls: Oh, please.

Mr. David Zimmer: Hmm?

Mr. Rick Nicholls: Please.

Mr. David Zimmer: I'm sorry. I can't—

Mr. Rick Nicholls: Please.

Mr. David Zimmer: Please. I'm happy to help you, but please what?

The Chair (Mr. Michael Prue): Order, please. Please continue, Mr. Zimmer.

Mr. David Zimmer: I really am.

Interjection.

Mr. David Zimmer: All right?

"Dear Mr. Prue"—and it's important to consider the full letter, because I think when people see what's in the full letter and when the full letter is reflected in Hansard, right-thinking people will say to themselves, "You know, this minister exercised his responsibilities properly and fairly"—properly because he's protecting the interests of Ontario and fairly because he's respecting the authority, the challenges and the work that this committee wants to do.

What did the minister say? "I'm writing in response to the May 16, 2012, estimates committee motion brought forward by MPP Robert Leone"—am I pronouncing that correctly?

Mr. Michael Harris: Leone.

Mr. David Zimmer: Leone, yes. Thank you—"under standing order 110(b) directing the Minister of Energy"—

Interjection.

Mr. David Zimmer: I'm sorry I even have to ask my fellow colleague—

The Chair (Mr. Michael Prue): Order, please. Mr. Zimmer, you have the floor.

Mr. David Zimmer: I don't want anybody to interrupt me because the committee has to understand this and the people who read Hansard have to understand it and if anybody's watching the television, they should understand it, too. So, before I was interrupted—albeit by my own member, but you're forgiven—"under standing order 110(b) ... directs the Minister of Energy as well as the Ministry of Energy and Ontario Power Authority to produce ... all correspondence"—and this is highlighted—"in any form, electronic or otherwise, that occurred between September 1, 2010, and December 31, 2011, related to the cancellation of the Oakville power plant as well as all correspondence, in any form, electronic or otherwise, that occurred between August 1, 2011, and December 31, 2011, related to the cancellation of the Mississauga power plant."

The minister went on to say—I've known him for a number of years now, and I know he truly believes this—

Mr. Michael Harris: Chair, a point of order—respectfully, a point of order.

The Chair (Mr. Michael Prue): Yes, I have another point of order from Mr. Harris.

Mr. Michael Harris: Under standing order 23(d)—members unnecessarily reading verbatim reports of the

Legislative debates or other documents—I'd ask that you rule.

Mr. David Zimmer: Let me speak to that, Chair, because I think you do raise an important point. You know, what I really—

The Chair (Mr. Michael Prue): First, you don't need to defend it. You have the right to refer to it. It's not being repetitive. Please continue.

Mr. David Zimmer: Thank you.

The minister said, "I respect"—emphasis on respect—"the authority"—emphasis on authority—"of the committee and its interest in receiving this information." He agrees with the committee. "The committee has an important role to play with respect to review of the ministries' operations and is entitled to ask questions and seek answers.

"As previously discussed with the committee, over the last number of sessions, there are confidential, privileged and commercially sensitive issues involved with both the Oakville and Mississauga power plants. There is also ongoing litigation with respect to the Mississauga power plant."

So now we've got the three issues here: confidential documents, privileged documents dealing with sensitive issues, and of course the litigation—there are cases going on in the court.

"In response to the committee's motion, the Ministry of Energy has undertaken a search for the requested correspondence." It's not as if the minister or his officials or the ministry or the deputies or anybody else has just blatantly ignored the committee's request. They've undertaken a search for the requested correspondence. After that comprehensive search, the minister goes on: "It is clear that these files are indeed confidential and in many cases the documentation is subject to solicitor-client privilege, litigation privilege and/or is highly commercially sensitive."

It would be an entirely different thing if this motion and the nature of the request went to the minister and he, off the top of his head, in a sort of flip and flamboyant way, said, "No, I'm not giving up anything." What the minister did was he went back to his officials and he ordered a comprehensive search of their files. They analyzed the files, and the advice and the position taken was a carefully considered position: "We can't release that information for the reasons of solicitor-client privilege and commercial sensitivity in the midst of negotiations."

The minister goes on: "Disclosure of these documents is anticipated to have a negative impact on the resolution of these files in light of ongoing, confidential discussions, as well as litigation, in these files."

That's the responsibility to the people of Ontario: that the minister not create a situation in which his actions, in releasing documents into the public forum, via this committee into Hansard and so on, have a negative impact on these very sensitive and—you know, there are significant amounts of money and position involved. I would think that all members of this committee, be they Liberal

members, be they NDP members, be they Conservative members, would have the best interest of Ontario's negotiating position in mind when they're asking the minister to order up these commercially sensitive documents, to the detriment of the province's negotiating position.

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The minister goes on: "The realities of the sensitive discussions that are occurring, as well as ongoing legal issues, cannot be forgotten as the committee pursues its objectives." So we've got two things that we've got to keep in mind. We've got the responsibility of this committee to, if you will, get to the bottom of things. The minister recognizes that. The competing or balancing or flip side of the coin is the reality of what effect the disclosure of these confidential documents and so on would have on Ontario's negotiating position.

The minister then goes on, because he addresses this problem now. In taking the decision, is this a set of documents or is this information that I can fairly and properly release or is it not? It's a judgment call. The committee wants it. Should I give it to them? Negotiating position, Ontario's position, maintaining our best negotiating position: Perhaps I should not give it to them. How does the minister go about striking the right balance there that's fair to everybody and recognizes the minister's responsibility to fulfill his obligations?

The minister goes on to talk about his analysis.

Excuse me, could you get me a glass of—my throat's gone dry.

The Chair (Mr. Michael Prue): It is an absolutely appropriate time, because you have now exhausted your 20 minutes.

Mr. David Zimmer: My 20 minutes are up? Well, I'll come back, because I want to go through the rest of this. But thank you very much, Chair.

The Chair (Mr. Michael Prue): Further debate? Mr. Craitor.

Mr. Kim Craitor: I'm pleased to have a chance to just say a couple of words. Fortunately I was here during most of the estimates and had a chance to listen to the questions being asked by my colleagues on the other side. I remember listening, and certainly you have every right to ask the questions; there's nothing wrong with that.

But I recall, as I was listening to the minister's responses, my days on city council. Suddenly it hit me that I had seen or been involved in three or four—many of us in this room come off city councils—kind of similar situations where we were being asked for information at a council meeting by the public, which they have every right to do.

One of the things we always did was ask for advice from our legal department, from the people who have that kind of expertise and can share with us, is this the kind of information we're allowed to give out? Would it have any effect on what's going on with negotiations? We had some situations involving negotiations of property. Things hadn't quite gone the way we had hoped, so there

was a demand from the public to provide all this type of information.

As was just said so eloquently a few minutes ago by my colleague, when I read the letter from the minister, it reminded me of a number of reports we received from our solicitor when I was a councillor in Niagara Falls. I could have just kind of moved it around and it would have been quite similar, which was that, based on our best advice to the minister—in my case, it was based on the best advice to the mayor and the council—we're recommending that it would not be in the public interest at this point to release that type of information. All the rationale was given, as we've heard here: We're dealing with commercial interests, we're dealing with sensitive information, we're dealing with negotiations.

So I'm always trying to be very open-minded when I sit on this side, because I am one of those who believe in transparency; I think we all do. I always have, and I always will.

Interjection.

Mr. Kim Craiton: You can chuckle all you want, but it's just a fact. If you go back to the Falls and ask, yeah. From all sides of the House, I just believe in that.

So I'm saying, in my own way, as I read the letter from the minister, he was getting the best advice he could from the ministry staff, who were saying, "Here's what we're suggesting you can do, and here's what we're suggesting you can't do." Then he has to make a decision, just like I did as a city councillor, or the council around the table. We had to make a decision when our solicitor said, "No, you can't release this." Maybe it sounds like you should, and it may appear to be not transparent, but it will have a negative effect or some significant effect on the negotiations that are taking place because there's a different point of view.

I'm not saying it because I'm sitting on this side. I'd wholeheartedly defend it if I went back into Niagara Falls and stood up in front of the public there, or Niagara-on-the-Lake or Fort Erie, the areas I represent—that the minister got the best advice that he could, that he was prepared to share certain amounts of information based on advice, but with the greatest respect for what my colleagues are asking on the other side, it's just something that he can't release.

To me, the minister has followed something that I would have followed, whether I was a minister up here or even when I was a city councillor for 13 years. That was the protocol that we always followed to get the best advice before we made a decision. I believe that the minister's explanation as to why he's not able to provide you with what you're looking for—and again, as I say, you have a right to ask for it—and as I used to hear at city council, it's in the best interests of the residents of Niagara Falls that we're not able to release this kind of information. The minister is making the same explanation here: It's in the best interest of the people of Ontario. He has assured us—and I know it will happen—that when it comes to a conclusion, when this finally comes to a conclusion, then all that information can be released.

I won't ramble on, but I'll say the concern I have—and I sincerely believe it—is that, again, you have a right to ask for the information, but I truly believe that some of the information you're asking for, if we release it, will have an effect, and it can be used by those who are negotiating with us who have a different point of view.

I do believe that we're doing the right thing in saying that we can't at this point—it will come out, and the minister said a number of times it will come out. But at this point, it is not in the best interests. That's the reason, Mr. Chair, that I'm supporting the amendment that we've put forward, not for political reasons, but because it's the right thing to do for the people of Ontario.

Having said that, I will stop there.

The Chair (Mr. Michael Prue): Further debate? Mr. Harris.

Mr. Michael Harris: I'd just like to call the question.

Mr. Grant Crack: There should be further debate.

The Chair (Mr. Michael Prue): Well, he's entitled to again call the question.

Mr. Grant Crack: A 20-minute recess, please.

Mr. David Zimmer: No, no, wait, wait. He had his hand up, Chair, for further debate—

Mr. Michael Harris: And I was recognized—

The Chair (Mr. Michael Prue): No, I didn't see his hand up before his.

Mr. David Zimmer: Oh, are you debating?

The Chair (Mr. Michael Prue): Yes, and his debate called the question. He put his hand up.

Mr. David Zimmer: All right, then call further debate again.

The Chair (Mr. Michael Prue): Well, no. He's called the question. I'm going to allow the question to be called this time because everything is becoming quite repetitive.

Mr. David Zimmer: Well, no, Chair, with respect—a point of order on this, with respect: Look, the minister gave a detailed, a comprehensive and a thought-out response and analysis as to why he was not prepared, on a very narrow ban, to release certain information. It's not fair for this committee or for the Chair of the committee not to have the full context of the minister's response. As I said in my remarks, if the minister had said when he got the request, "All right, I got it. I've got nothing to release, end of story"—that's not what happened. There's a four-page letter here that I want to put into the Hansard record and I want to go through—

The Chair (Mr. Michael Prue): It is.

Mr. David Zimmer:—and point out; I want to read it into the record, I want to make some comments on it and show that the minister has taken his responsibilities seriously and he's taken a response that's fair. Before we vote on the amendment on this narrow one sentence here, the committee and the public have to know what the minister's response was, in fact—because you've taken a one-line response from a four-page letter. That's not fair to the minister, that's not fair to the government, that's not fair to the work of this committee.

The Chair (Mr. Michael Prue): Mr. Zimmer, you are out of order. This is not the issue. The amendment before

us is very clear. It is to delete one line, not what the minister said. All of the documents—and you've made this statement: The document was submitted to the committee and is part of the record. The entire document is already in the record. Your point is not well-taken. Therefore, I am going to recognize—

Interjection.

The Chair (Mr. Michael Prue): The question has been put. This is becoming extremely repetitive. No one is speaking to the issues. They are speaking to the main motion, so we might as well deal with the main motion. If you want a 20-minute recess, you have one.

Mr. Grant Crack: Point of order first?

The Chair (Mr. Michael Prue): Point of order.

Mr. Grant Crack: I think Mr. Zimmer is making some good points, Chair. If he was just reading verbatim out of the report, that would be a different story, but he's also providing his perspective on some of the comments that are being made. I think it's more than appropriate that at some point we get to hear Mr. Zimmer out, and his position on some of the response from the minister.

The Chair (Mr. Michael Prue): Mr. Zimmer was heard out. He spoke for 20 minutes and he never once referred to the amendment that was before us.

Mr. David Zimmer: On the contrary, Chair, I read it into the record several times. I quoted it.

The Chair (Mr. Michael Prue): I've made my ruling. Do you want a 20-minute recess?

Mr. Grant Crack: Yes, absolutely.

The Chair (Mr. Michael Prue): Thank you. Then there is a 20-minute recess for the vote.

The committee recessed from 1701 to 1721.

The Chair (Mr. Michael Prue): The meeting is resumed. I'm required now at this point to ask the question. Shall the question now be put?

All those in favour of putting the question? Opposed?

Okay, it's 4-4 again. I can just vote or I can give a rationale, and I want to give a rationale.

This is a difficult job being Chair of this committee. There are a number of 4-4 votes all the time. We have a responsibility, not only to the people of Ontario but to the people who are in this room. The estimates committee is required to undertake 90 hours of in-depth questioning of a number of ministries. After I don't know how many days, we are now at the 10th hour of the first ministry, and it is frustrating to me, as the Chair, knowing that the minister is here, the deputy minister is here, two assistant deputy ministers are here—or maybe three; I can't remember all the titles—senior staff to support them, people, and we are arguing about things that aren't even contained within the body of the amendments that are being made. This is a huge waste of public resources.

Now, it would be very easy for me to end the debate and just vote with the mover of the motion, but I am given to understand, and I am given some hope, that if I vote no, this amendment will be put to a vote and there will be meaningful debate on the remaining motions. I am a man of endless hope, and if that is in fact the will of what will be done, and that what will be done here will

be correct, I am going to, at this time, cast my vote in the negative and allow for continuing debate.

But, in so doing, what I also want to do at this point, to ensure that there is no more public wastage of time, is that I am going to ask that the minister and the entire entourage who are here need not be here, and I will dismiss them for today and until such time as we are ready to proceed in what the estimates committee is supposed to do, and that is to ask questions and put the minister and ministry to account. If we are not going to do that, then there is no sense in wasting your time.

So you are free to go, and we will let you know when this committee has finished with this motion.

Hon. Christopher Bentley: Thank you very much, Mr. Chair. You'll notice that we are taking you up on your invitation.

The Chair (Mr. Michael Prue): Now, we are back, then, to the amendment made by Mr. Moridi. Just so everyone is clear what the amendment is, he has moved that the motion be amended by deleting the words "This is after the minister attempted to invoke the sub judge principle which the Chair ruled was out of order for compelling and correct reasons on the advice of the clerk."

Is there any—I hate to ask this, but is there any debate on this amendment? Mr. Zimmer.

Mr. David Zimmer: Briefly, Chair, I wanted to continue with this letter. The minister went on in his letter to talk about how he approached this threshold issue and how he came to the decision to limit what he was prepared to release.

"As a threshold issue in response to the motion, you had to determine whether MPP Leone's motion was in order. In your May 16 ruling, you noted the committee's right to ask for documents. You also noted that I"—meaning the minister—"have the right to 'either decline giving that documentation or giving voice to that documentation during his answering of the questions.'"

"You further stated that I 'may choose to answer the question in such a way as not to prejudice the province in any way.'"

That's the essence of the matter.

"Moreover, you indicated that you expected me to approach my response in this way."

The minister specifically recognized the admonition of the Chair. "Moreover, you indicated that you expected me to approach my response in this way." And the minister, in good faith, paid attention to your admonition, Chair.

I'll just be another two minutes or so.

"In light of the confidential privilege and highly commercially sensitive nature of these issues, it would not be appropriate for my office or the ministry to disclose information that would prejudice these ongoing negotiations and litigation.

"I also note that these very commercially sensitive negotiations between OPA, the government and Trans-Canada—"

Mr. Rob Leone: Mr. Chair, point of order.

The Chair (Mr. Michael Prue): A point of order.

Mr. Rob Leone: I note that the member, Mr. Zimmer, decided that he was going to be very brief and decided to read verbatim a letter into the record, which contravenes standing order 23(d). I'd ask the Chair to rule on this. I also wonder what, if anything, this has to do with the amendment that has been put forth by Ms. Piruzza.

I ask you to rule that this member is out of order for the kinds of statements that he is trying to enter into the record.

Mr. David Zimmer: Chair, I'm half a sentence away, and then I'm finished.

The Chair (Mr. Michael Prue): If that's all there is, half a sentence, please, go ahead.

Mr. David Zimmer: —“the negotiations between TransCanada Corp., OPA, Greenfield South Holdco Corp. and Greenfield South Power Corp. collectively have been carried out on a without-prejudice basis, thus both the government and OPA have legal obligations not to disclose the contents of these negotiations at this time.

“However, I am able to provide a chronology on both plants and outline why the decisions were made to locate them.”

I'll stop there. I may speak later on other matters.

Mr. Grant Crack: Mr. Chair, can we have a 20-minute recess, please?

The Chair (Mr. Michael Prue): A 20-minute recess? Well, I guess it's—yes. You're entitled to it.

Mr. Grant Crack: Thank you.

Mr. Rob Leone: Don't we get to vote on that?

The Chair (Mr. Michael Prue): No, before every vote, just so members—perhaps newer members—would know, before every vote people are entitled to a 20-minute recess to consult. I need to find out, though, before actually getting to that, are there any other speakers?

Ms. Tracy MacCharles: I want to speak.

Mr. Grant Crack: I'd like to say a few words, Mr. Chair.

The Chair (Mr. Michael Prue): Well, then, why were you asking for the adjournment—for the recess, excuse me.

Mr. Grant Crack: I need a break.

The Chair (Mr. Michael Prue): Come on. In good faith, I have agreed to vote against putting the entire question—

Mr. David Zimmer: No more speakers.

The Chair (Mr. Michael Prue): Do you need a 20-minute recess before you vote? All right, that's the rule: 20 minutes. We'll be back here at 10 to 6 in order to vote on this amendment.

The committee recessed from 1730 to 1750.

The Chair (Mr. Michael Prue): It is now 5:50. We have a vote on Mr. Moridi's motion. All those in favour, please signify in the affirmative. Opposed? That's unanimous.

All right, further debate? I recognize Mr. Moridi first. Go ahead.

Mr. Reza Moridi: I have a motion, Mr. Chair. I move that the motion be amended by deleting the words “that the standing committee on estimates asked questions of

the Minister of Energy on May 9, 2012, about the Oakville and Mississauga power plants. The minister refused to provide specific answers, citing the answers would be, and I quote, ‘commercially sensitive.’”

It's not essential to the context of the motion to review the normal question-and-answer procedures of the committee. As pointed out by the Chair on several occasions, it is within ordinary practice and parliamentary tradition for individuals appearing before committees to raise issues of privilege and confidentiality in response to questions asked by committee members. Including this language in the motion could leave the impression that the minister violated parliamentary tradition and practice. That's why I'm making this amendment to the motion. Thank you.

The Chair (Mr. Michael Prue): Thank you. Further debate?

Ms. Tracy MacCharles: Yes, Chair?

The Chair (Mr. Michael Prue): I saw Mr. Leone and then Ms. MacCharles.

Mr. Rob Leone: Well, you know, I would hope that if the members on the governing side wish to continue debate on putting forth amendments, they table all these amendments right now, and let's have a debate on all of them. I hope that that would be appropriate. Certainly, they're debating something today that in fact their federal cousins, in particular the member Scott Brison in the federal Parliament—essentially, the same motion has been put forth to a committee that they are in fact now disagreeing with, which I find quite remarkable, Mr. Chair. That's why I'm hoping that you would agree that we put the question once again so that we end the charade that this committee has now engaged in.

The Chair (Mr. Michael Prue): Well, first of all, you've spoken, so you can't move the putting of the question. Secondly, the motion is in order. The motion, Mr. Leone, that you yourself put before the committee is debatable and amendable. Members have that authority to do so, and provided it's not out of order—and this one is not out of order—then it is debatable. So I'm going to allow further debate.

Ms. MacCharles.

Ms. Tracy MacCharles: Thank you. I'm glad to be here today. I want to assure the Chair and all the members of the committee that I am here with a genuine interest. As I was saying to a number of the members on the break, in my riding of Pickering-Scarborough East, we have the Pickering nuclear reactors and more broadly, in Durham and Clarington, we have the Darlington refurb project, which we've all heard about.

I guess the main and first message that I want to make about this motion and the reason I think it is a good motion is that, like our other motions, we're trying to move quickly but carefully when we talk about energy in Ontario. As my colleague Mr. Zimmer said earlier, I get worried when—

Interjection.

The Chair (Mr. Michael Prue): Excuse me, Mr. Harris, that would be a point of privilege. Have you not received a copy of the motion?

Mr. Michael Harris: Okay, I see it here now.

The Chair (Mr. Michael Prue): Okay, I'm sorry to interfere.

Ms. Tracy MacCharles: No worries.

The Chair (Mr. Michael Prue): He didn't have a copy.

Ms. Tracy MacCharles: Okay, does everyone have it now?

The Chair (Mr. Michael Prue): Everyone has it.

Ms. Tracy MacCharles: All right. The first point I wanted to make is the importance of treading carefully when it comes to energy in Ontario and releasing the right information at the right time. This is why I think this is a good motion, as the others are, because something very, very unfortunate happened in my riding of Pickering-Scarborough East during the election, when unauthorized materials were circulated by my opponent in the election suggesting that I was promoting that one of these power plants—either Oakville or Mississauga; I'm not sure which one—be relocated to the riding of Pickering-Scarborough East. To this day, I am answering many questions about this information that was circulated.

Just by putting out an unauthorized flyer during the election suggesting that I was advocating for something I absolutely had no intention to do, and have never given that impression, has caused no end of problems, especially in a riding like mine, where there are two nuclear reactors. So we need to take great care when we talk about energy in Ontario, and we need to be very careful and clear in our communications.

This motion, in particular, I think is important. When I look at Mr. Leone's motion, where he says, "The Standing Committee on Estimates asked questions of the Minister of Energy on May 9, 2012, about the Oakville and Mississauga power plants. The minister refused to provide specific answers, citing that the answers would be ... 'commercially sensitive.'"

Mr. Chair, this claim by Mr. Leone goes to the very heart of what is wrong. The minister in no way refused to answer questions, as I understand it. He has answered each and every question that has been put before him. It's a case, in some circumstances, that the minister's answer was indeed due to the extreme sensitivity of the ongoing negotiations and litigations involving these two facilities that he could not release certain facts and information. Again, I go back to this inappropriate campaign document that was circulated to each and every household in Pickering-Scarborough East suggesting that I was promoting the relocation of one of those plants to my riding. I say with all honesty how that creates so many problems in a constituency like mine, where there are two nuclear reactors.

We are trying to promote good energy policy in Ontario. We're trying to strike a balance between nuclear energy and renewable energy and continuing, of course, to get rid of the dirty coal plants. That strategy, that important message, that message of balance cannot resonate properly if information is not handled properly. This is a

very complex file. It's a complex sector. Releasing information prematurely or without the right kind of context can cause incredible problems.

Getting back to this motion and Mr. Leone's motion, it is, as I understand it, within ordinary practice and parliamentary tradition for individuals appearing before committees to raise issues of privilege and confidentiality in response to questions asked by committee members. It's very appropriate to do so, and I would submit and call on the opposition again to put aside any partisan issues and recognize that their actions could potentially jeopardize these processes to the detriment of Ontario taxpayers. That's where I'm coming from, as the member for Pickering-Scarborough East.

I think it was the Oshawa board of trade that had a nuclear conference, and I attended on behalf of the government. It was—

Mr. Rob Leone: Mr. Chair, point of order?

The Chair (Mr. Michael Prue): Mr. Leone, what is your point of order?

Mr. Rob Leone: I'm hoping we can confine comments to the amendment to the motion rather than the main motion as much as possible.

The Chair (Mr. Michael Prue): Okay. We are just about out of time, so I'm going to rule on this and then we're going to be finished for the day.

I would remind members that this is an amendment to the main motion. The amendment is to delete these couple of lines, but the main motion—I have already ruled, as I am required to rule, whether this is in fact a point of privilege. It is not up to this committee or to me as Chair to determine the point of privilege. All that happens is that a letter goes to the Speaker. What we are debating is—the change is not whether the motion is well-founded or not, but what changes we want to make to the motion. That's all the debate is about. That's all we're doing: fixing up the motion.

I leave that with you. The motion is well-founded, Mr. Leone, and I would ask members when we come back on the next occasion to confine your statements to the amendment or amendments that will be put forward. If I can just use a parliamentary trick, and it's a good one, "It is appropriate to vote for this motion because...." You're talking about the motion or the amendment and not about the main body, okay? So you have to say, and the best thing to say is, "This is appropriate to pass this because there is an error here or this wasn't said," or something to that effect. Then we can get on with this fairly quickly.

Ms. Tracy MacCharles: Thank you, Chair.

The Chair (Mr. Michael Prue): Okay, and with that—

Ms. Tracy MacCharles: Oh, I'm not finished.

The Chair (Mr. Michael Prue): No, but you will have the floor. If you are here on the next occasion, the floor will be ceded to you.

Ms. Tracy MacCharles: Thank you. I look forward to that, Chair.

Mr. David Zimmer: Chair, just—well, I just want to ask a question, but finish off.

The Chair (Mr. Michael Prue): I'm just going to adjourn for the day and state that we will be back here again, dealing entirely with the motion and any amendments that come, next Tuesday at 9 o'clock in the morning—

The Clerk pro tem (Mr. Katch Koch): At 8:45.

The Chair (Mr. Michael Prue): At 8:45 in the morning. Are you sure it's 8:45?

Interjection.

The Chair (Mr. Michael Prue): Well, we did it once in order to accommodate—

The Clerk pro tem (Mr. Katch Koch): I'll double check.

The Chair (Mr. Michael Prue): He'll double check it. It's either 8:45 or 9 o'clock. You will get adequate notice. We will be meeting Tuesday morning, we will be meeting Tuesday afternoon, we will be meeting

Wednesday afternoon, and we will be meeting four times over the summer.

Mr. David Zimmer: Oh.

The Chair (Mr. Michael Prue): Oh, yes. The minister's staff will not be called but will be on standby every single day that we are here, and they will be given 15 minutes' notice to appear. That's going to take some considerable time, and if we don't finish in that time, they will be called before the committee again when we return in September and until we're done.

Okay, so this is a lot of public resources out there. Please be mindful, because the decision is not even being made by us; it's being referred to the Speaker, who may or may not even want to go with it.

All right, having said that, the meeting is adjourned until Tuesday morning.

The committee adjourned at 1803.

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Staff / Personnel

Mr. Terrence Teixeira, research officer,
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Journal des débats (Hansard)

Mardi 12 juin 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie



Chair: Michael Prue
Clerk: Valerie Quioc Lim

Président : Michael Prue
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 12 June 2012

Mardi 12 juin 2012

The committee met at 0900 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Michael Prue): I call the meeting to order. When the committee adjourned at the last meeting, we were considering Mr. Moridi's amendment to Mr. Leone's motion. That's motion number two. People have it in front of them on the members' desks. When we left off the last time, Ms. MacCharles had the floor. It's back to you.

Ms. Tracy MacCharles: Thank you, Chair, and good morning.

First, I'd like to call a point of order. Standing order 60(e) says, "No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House." Therefore, I do not believe this meeting should proceed.

We have a precedent, Chair, that on April 24, the Standing Committee on Social Policy was not able to meet for an organizational meeting because a bill of the same policy field was being considered in the House.

Further, the agenda and schedule of the meeting clearly states that the purpose of the meeting is the consideration of the Ministry of Energy's estimates. The estimates have been referred to the committee by the House and there is no way to separate the current motion from the consideration of estimates. My understanding is that the dismissal of the minister was a voluntary act and not founded in the standing orders. The critic for the NDP has also cancelled his leadoff speech in the House on Bill 75 to attend the ministry's estimates at committee.

The Chair (Mr. Michael Prue): I anticipated this and we went to the clerk's department, who told us that what your motion is is not correct. So we're just trying to find out exactly what you're saying. We were told that we cannot have estimates with the minister here, but we can do procedural matters, which is what is before us.

Ms. Tracy MacCharles: Well, it's our view that—

The Chair (Mr. Michael Prue): So you're going to have to be very specific, because the Deputy Clerk has told us in no uncertain terms that we are to proceed today.

Mr. Michael Harris: Chair—

The Chair (Mr. Michael Prue): Just hold on. Could you be specific, because we're trying to look up what section you're citing.

Ms. Tracy MacCharles: We believe that it can't proceed because it would be ruling against the precedent that I was trying to outline, Chair, which is section 60(e) of the standing orders.

Mr. Grant Crack: Chair, Bill 75 is before the House at this particular point.

The Chair (Mr. Michael Prue): Yes, we realize that. And the precedent that was stated was Bills 13 and 14, which were on the same subject matter for social policy.

Ms. Tracy MacCharles: Can I continue with my point of order?

The Chair (Mr. Michael Prue): Wait a minute. You have a point of order. You quoted a section of the standing orders at the beginning. We're trying to verify. What section?

Ms. Tracy MacCharles: Right. 60(e).

The Chair (Mr. Michael Prue): 60(e).

Ms. Tracy MacCharles: It says that "No estimates shall be considered in the committee while any" other "matter, including a procedural motion, relating to the same policy field is being considered in the House." In this case, as Mr. Crack says, it's the energy bill, Bill 75.

I have further information on my point of order, Chair, if I may.

The Chair (Mr. Michael Prue): I'm willing to hear further argument on this, but I think that that is a confusion of what this actually states.

Mr. Harris, you have—

Mr. Michael Harris: My only discussion to this point of order is that, as per our agenda dated Tuesday, June 12—

Mr. David Zimmer: Chair, I didn't hear.

Mr. Michael Harris: Sorry. As per our agenda, dated Tuesday, June 12, our item number one is a motion by Mr. Leone that we're dealing with here in committee and not item number two. I would assume that we're able to continue the business of the committee on the motion put by Mr. Leone.

The Chair (Mr. Michael Prue): That point of order is not well taken. We are dealing with the amendment to Mr. Leone's motion.

Mr. Michael Harris: Amendment.

Ms. Tracy MacCharles: May I continue on my point of order?

The Chair (Mr. Michael Prue): On the point or order, yes.

Ms. Tracy MacCharles: Thank you. I'd like to read from Hansard from the estimates meeting of May 15, where the Chair, Mr. Prue, said, "This meeting is resumed. I have asked the clerk to see whether or not the motion is in order and to consult with the clerks' department on my behalf, as the Chair. I am not sure that it is in order, but the clerks' department on my behalf, as the Chair. I am not sure that it is in order, but the clerks' department needs additional time to look at it."

"Considering the hour, I think it is appropriate at this point we adjourn till this afternoon. The first order of business this afternoon will be my ruling on this."

Followed by Ms. Teresa Piruzza: "Chair, if I can just clarify—I'm sorry—as you're talking about this afternoon, if we're actually sitting this afternoon. I need that clarified. I understand that there's an opposition motion this afternoon with respect to this area, energy. I'm reading from standing order—'Estimates Considered by Standing Committee'—60(e): 'No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House.'"

"So I'd like to clarify whether we are indeed actually sitting this afternoon, given the opposition motion that's coming forward this afternoon."

Followed by the Chair's comment, Mr. Michael Prue: "Again, I'm not sure whether this is impacted. We will ask the clerks, as well. So the committee will meet at approximately 3:45 this afternoon to rule on both of these. It may indeed be a short meeting, or it may be till 6 o'clock."

Followed by Mrs. Teresa Piruzza: "I understand it's with respect to energy, and that would clearly be related to this meeting."

Followed by the Chair (Mr. Michael Prue): "That is quite possible. I'm not sure whether the standing order is as broad as that, but we will check that out."

Mr. Peter Tabuns spoke next. "Just a point of information: Ontario Power Authority and TransCanada Energy, with respect to a gas plant in Mississauga—actually TCPL was in Oakville, and it was Greenfield that had the power plant in Mississauga. You've reversed the locations."

"Mrs. Teresa Piruzza: Yes, and 'gas plan' should be 'gas plant.' I had just brought that up to the clerk, as well. So we'll clarify that, as well. Thank you."

"The Chair (Mr. Michael Prue): I am going to recess at this point till 3:45. I will rule on those two points of order at 3:45, and if the committee then continues—well, it will either continue or recess at that point."

"The committee recessed from 1020 to 1558."

"The Chair (Mr. Michael Prue): The meeting is called to order."

"This morning, prior to the recess, Ms. Piruzza raised a point of order relating to whether or not this committee could sit this afternoon. In making her point of order, she referred to standing order 60(e). I have had an oppor-

tunity over the period since the recess until now to consider 60(e) and what exactly was before the House this afternoon."

"At first blush, it appeared to me that the NDP opposition day motion was related to a finance matter. However, in reading what the motion actually says, it is quite clear that there is an involvement of the Ontario Energy Board. Therefore, in considering Ms. Piruzza's point of order, it appears to me quite logically now that it is in order, what she is saying, and that it is well-founded."

The next part, Chair, is very important, and I'm quoting again from the May 15 session:

"Standing order 60(e) states, 'No estimates shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House.' In fact, it is the same policy field because of the inclusion of the words relating to the Ontario Energy Board. The item to be debated in the House this afternoon is Ms. Horwath's opposition day motion, and it is, in fact, related to the Ontario Energy Board. Therefore, her point of order is well made and well taken, and therefore there is no other option at this time in order to follow the rules, the standing rules, than to adjourn this meeting until tomorrow at 3:45."

"Just before adjourning the meeting, the first item on the meeting tomorrow morning will be the motion that Ms. Piruzza has also filed. I will rule on that at that time. It is not appropriate to rule on it now, in that we cannot sit now. Therefore, I will adjourn the meeting until tomorrow at 3:45. Meeting adjourned."

Chair, for these and other reasons, we feel the meeting can in no way be allowed to proceed and that the Chair would be indeed ruling against the precedent if the meeting was allowed to proceed.

The Chair (Mr. Michael Prue): I have listened to the arguments, but I am not persuaded because—

Mr. David Zimmer: Chair?

The Chair (Mr. Michael Prue): Yes.

Mr. David Zimmer: I want to speak to the point of order.

The Chair (Mr. Michael Prue): All right. Go ahead.

Mr. David Zimmer: There was some reference—I think you made the comment earlier that a distinction between today's proceeding and the one referenced earlier by her was that the minister was not here for some reason and that that somehow changed the context of this meeting.

0910

But I would submit that the minister was here and the deputy was here, and that they are still here, because the ruling of the Chair last Thursday was that, as a courtesy to the minister and to the deputy minister so they didn't have to sit at the table while we were arguing these very matters, you excused them in the sense that they could leave the room but they were required to be within 15 minutes. So they could be down here in the lounge having coffee or downstairs, but they are still before the committee, as it were. I just wanted to sort out that distinction, if there's any suggestion that they're not phys-

ically here right now. They are down the hall or upstairs or wherever they are, on 15 minutes' notice.

My second point that I would make is that the situation today is clearly the same as the situation was on May 12. There was a motion on the floor at that time as well, and there's no difference between the events of the 12th and the events of today.

Lastly, I just want to emphasize again rule 60(e), because it says, "No estimates shall be considered in the committee"—no estimates in the committee—"while any matter," and then if there's any confusion about what is included in "any matter," it goes on—"while any matter, including a procedural motion, relating to the same policy field is being considered in the House."

So we have "any matter." We have a matter before us, and it further fits the definition because it's "any matter," and specifically, rule 60(e) says, "including a procedural motion." Obviously, the drafters of the rule wanted to make it quite clear. If they didn't want to make it quite clear, they would just say "any matter," and leave it up to the Chair of the committee to interpret "any matter." But they go on—comma—and they specifically set out and define, "including a procedural motion," and that's clearly what we have today. This procedural motion obviously relates to the same policy field that is being considered in the House.

For those three reasons:

(1) The minister is before this committee, albeit he's out in the hall, and he was not relieved or dismissed from the committee. It was merely as a courtesy to him, to accommodate the witness. The minister is here; the deputy is here.

(2) It's the same matter that we dealt with on the 15th, for which my colleague has gone through the precedent ruling in some detail.

(3) And then this matter of the ruling: I've gone through the standing orders, and I rarely have seen a matter defined so precisely. For the last time: "No estimates shall be considered in the committee while any matter"—and the rules did not want to leave it up to the discretion of the Chair or leave any doubt on this question about what was included in "any matter," so they put a comma there and put another phrase, "including a procedural motion," and a comma.

Clearly, the matter ought not to proceed, for the reasons that I've outlined and have been more elaborately outlined by my colleague Ms. MacCharles.

The Chair (Mr. Michael Prue): Mr. Harris on the same point of order.

Mr. Michael Harris: I guess I'll draw Mr. Zimmer's attention to the actual wording of standing order 60(e). It says: "including a procedural motion, relating to the same policy field" that is being considered in the House, not in committee.

The government is clearly using another stall tactic to address the amendments of the initial motion. This is a procedural matter here in committee that we're dealing with today. The Chair actually, as per the last meeting, ordered the minister and the deputies to stand down, to

allow this committee to address and deal with the amendments of the motion. So I say we get on with that and, Chair, hopefully you'll make your ruling.

Mr. David Zimmer: Chair, one final point, just briefly: I just want to get clearly on the record and put clearly before the Chair and members of this committee that this is, I think, the governing paragraph from the Chair's ruling on the previous matter that we were discussing. I quote from the last paragraph of that ruling: "Just before adjourning the meeting, the first item on the meeting tomorrow ... will be the motion that Ms. Piruzza has also filed. I will rule on that at that time. It is not appropriate to rule on it now, in that we cannot sit now. Therefore I will adjourn the meeting until tomorrow at 3:45. Meeting adjourned." The reason the Chair felt it was "not appropriate to rule on it now, in that we cannot sit now" was that the matter was before the chamber.

The Chair (Mr. Michael Prue): Well, I have listened to all the arguments, and I anticipated this. We had a long discussion with the Clerk's office yesterday. The Clerk quite rightly pointed out that, notwithstanding—and the circumstances were very different the first time than what is being described. The circumstances were that we were in estimates. We were listening to the minister and the senior staff who were here, and we could not listen to them because there was a procedure in the House. There was a motion, but the motion was dismissed because it was, in my view, not a legal motion, which I ruled on the next day.

What we have today is a motion which is before us. We do not have the staff and the ministers, and we are today in a procedural matter. According to the Clerk's office, this is a procedural matter and not a matter of estimates. Therefore, rule 60(e) does not apply. That is the best advice they gave me.

A plain reading of the rule says that no estimates shall be considered. This committee is not considering estimates today. We are considering only, at this point, the amendments to the motion which is before us. It goes on to state—and I think Mr. Harris' reading is clear, and that is the advice I received from the Clerk's office as well—that, "shall be considered in the committee while any matter, including a procedural motion, relating to the same policy field is being considered in the House." We are not considering estimates, and the Clerk was very clear: We are not considering estimates. Our job today, until such point as it is finished, is to deal with the motion and the amendments before us. If we finish, then it would not be possible to call the minister, notwithstanding there's a 15-minute bell for him to show up, because there is a matter before the House and we would be back into estimates.

I cannot find that the challenge is correct, and I am going to rule that we continue and that we have a matter before us, which is amendment number two, made by Mr. Moridi. Ms. MacCharles, you have the floor.

Mr. Grant Crack: Mr. Chair?

The Chair (Mr. Michael Prue): Yes.

Mr. Grant Crack: Before she starts, could we have a 20-minute recess to get an interpretation of your ruling?

The Chair (Mr. Michael Prue): No, you cannot. That is not a matter for which a 20-minute recess can be granted. You may have a recess if there is a vote. If you want a vote, you can ask for a 20-minute recess by vote.

Mr. Grant Crack: Thank you.

Ms. Tracy MacCharles: Mr. Chair, I respectfully appeal your ruling.

The Chair (Mr. Michael Prue): All right.

Mr. Grant Crack: Then, Mr. Chair, can we have a 20-minute recess?

The Chair (Mr. Michael Prue): Okay. I just wanted to get the wording correct because this is slightly different than most rules of procedure. The question has to be put: Shall the Chair's ruling be appealed to the Speaker? That's the vote. All those in favour—

Mr. Grant Crack: No, could we have a 20-minute recess to determine that, sir?

The Chair (Mr. Michael Prue): Okay, now you have a vote; now you can have a recess. Twenty minutes—it's now 9:20.

The committee recessed from 0920 to 0941.

The Chair (Mr. Michael Prue): I call the meeting back to order. I trust everyone has had their 20-minute consultation. We will now have the vote and the wording again, Mr. Clerk? Shall the decision of the Chair be appealed to the Speaker?

All those in favour of the motion? Opposed? I'm not going to rule against myself, so the motion is defeated.

I understand, Mr. Zimmer, you have another point of order.

Mr. David Zimmer: Yes, I do, Chair. I want to bring in a point of order. As a courtesy to you, I gave you a heads-up as to what it was. We will be asking—I say this with the greatest respect—that the Chair of this committee recuse himself and that the Vice-Chair of the committee stand in for these reasons. I will be brief on this.

Let me first refer to O'Brien and Bosc talking about points of order. That's at page 1050, chapter 20:

"A point of order can be raised at any time during a meeting where a member is of the opinion that the standing orders or a committee rule has been breached, or the member believes that usual practice has not been followed. The proceedings under way are temporarily suspended while the point of order is addressed. Every point of order must be considered by the Chair, who determines whether or not the point of order has merit. Generally, the Chair makes an immediate decision on a point of order. However, where the point of order requires greater reflection or more extensive research, the Chair can take the matter under advisement and render a decision at a later time."

Now, the reason why—

Mr. Michael Harris: What standing order is this? Are you referring to a standing order?

Mr. David Zimmer: No, that's a textbook on parliamentary procedure that we commonly use around here called O'Brien and Bosc.

Mr. Michael Harris: Page number?

Mr. David Zimmer: Page 1050, chapter 20.

O'Brien and Bosc: I became familiar with it in great detail because a former member of provincial Parliament for Welland, Peter Kormos. This was his bible on procedural issues, and I learned a lot from Peter and from O'Brien and Bosc.

Anyway, here is the heart of the matter: The Chairs of the committees have a special role to play, and it's a role that requires great independence, impartiality and thoughtfulness and fairness to all political parties represented at the committee. And—really important—the Chair must convey a sense, if you will, to the public at large that the Chair of the committee, whatever committee it is, is dealing with all matters procedurally and substantively in a fair, independent, unbiased way. That's how Chairs of committees maintain the confidence of the House and the confidence of the public.

I want to quote from a Canadian Press release dated June 12, which deals with the issues of the cancelled gas plants in Mississauga and Oakville, in which the NDP energy critic, Michael Prue, spoke about and addressed the issues that are substantively before this committee. So it's not a procedural matter that I'm raising; it's a substantive matter having to do, in legal terms, with judges having to be very careful to avoid the appearance of a predetermined view or the appearance of a bias. I do make these remarks quite respectfully of the Chair.

Sorry, I said the Canadian Press of June 12; it's June 1, 2012. I have a copy here. I can give you copies, but I'll read it into the record and ask the Chair to rule on it:

"NDP Wants Auditor to Probe Cost of Cancelled Gas Plants in Mississauga, Oakville," the Canadian Press, Toronto.

"Ontario's Auditor General should be called in to investigate the potential cost to taxpayers of the Liberal government's decision to cancel gas plants in Oakville and Mississauga, the New Democrats said Friday.

"The Liberals cancelled a planned 280-megawatt gas power plant in Mississauga just days before last year's election, after scrapping another one in nearby Oakville the year before."

This is what gives rise to the appearance of a predetermined view or a bias, and it's for that reason that the point of order is asking the Chair to recuse himself and turn the matter over to the Vice-Chair:

"The plants were cancelled to save Liberal seats, but the government won't say how much it expects to pay in penalties for its decisions, complained NDP energy critic Michael Prue.

"I think it is an embarrassment"—

Interjection.

Mr. Michael Prue: I'm not the energy critic, nor did I make this statement. But go ahead.

Mr. David Zimmer: I'm just quoting from the Canadian Press story. This is out in the public domain. That gives rise to the—

Mr. Rick Nicholls: Point of order, Chair.

The Chair (Mr. Michael Prue): We have a point of order here.

Mr. David Zimmer: I'll be through this in a couple minutes.

It quotes Michael Prue:

“I think it is an embarrassment because they were in such desperate shape they were willing to sacrifice the people of Ontario’s money in order to secure those seats,” said Prue.”

Michael Prue goes on:

“It worked politically, but I think in terms of economics and doing the right thing, it was not.”

“The Progressive Conservatives said anyone could have predicted there would be expensive lawsuits after the Liberals decided to reverse course and scrap power plants that were well into their construction...”

The gist of the matter is that statement, which is a statement about substantive matters that we’re dealing with here at this committee, the statement as quoted in the Canadian Press: “I think it is an embarrassment because they were in such desperate shape they were willing to sacrifice the people of Ontario’s money in order to secure those seats,” said Prue.

“It worked politically, but I think in terms of economics and doing the right thing, it was not.”

Surely in any proceeding such as this, the whole system is predicated on the Chair, when dealing with procedural matters and substantive matters, when coming to the Chair’s role, has to be really above reproach or above the appearance of a view that prejudices one side or favours another side. I say with the greatest of respect, Chair, that for those reasons and to ensure the integrity of the work this committee has to do on this substantive matter that you recuse yourself and turn the chair over to the Vice-Chair.

I think some of my colleagues want to speak to this point of order also.

The Chair (Mr. Michael Prue): Mr. Nicholls.

Mr. Rick Nicholls: I appreciate the history lesson from my honourable colleague, but I personally feel and believe that we have gone way right—or maybe perhaps, if I could say, way left—of the initial motion. Therefore, going back to the amendment, I would like to move the question. I call the question, sir.

The Chair (Mr. Michael Prue): I can’t entertain that at this point. We have a point of order here, and I have to deal with that first.

Mr. Harris, on the point of order.

Mr. Michael Harris: Yes, on the point of order, these folks should have called this earlier if they felt he wasn’t impartial. The Chair has presided over this committee now for several weeks. You’re referencing a June 1 date. It’s several weeks ago. They’re simply picking and choosing when they want to bring up points of order such as this. If they felt that he wasn’t impartial, this would have come up a long time ago, so I move that you make a decision or ruling on this point of order and immediately get on with the business of the committee and addressing the amendments before this committee.

The Chair (Mr. Michael Prue): Any other points of order?

Ms. Tracy MacCharles: Chair, I don’t want to extend this unnecessarily, but I think Mr. Zimmer has really

summed up what I call a perception issue. I think perceptions and actions go hand in hand, as we are representatives of this Legislature. I think that’s where he’s coming from, and it is indeed, with all due respect to the Chair. Thank you.

The Chair (Mr. Michael Prue): Any others?

Mr. Michael Harris: Rule.

Mr. Peter Tabuns: Let’s rule.

The Chair (Mr. Michael Prue): No, no. I’m going to take a few-minute recess to consider this. We’ll come back at five after 10.

The committee recessed from 0952 to 1001.

The Chair (Mr. Michael Prue): Call to order. The meeting is resumed.

I have had an opportunity to consider the request on the point of order that I recuse myself, and I decline to do so. I do so because, first of all, I don’t think that I have prejudiced in any way this committee. I am not sure from whence the quote came. I do not remember making it. I am not the energy critic of the NDP; Mr. Tabuns is. Even if I had made it, it was certainly not in the context of this committee; it was within the context of the wider frame around here. I am therefore not going to recuse myself.

I would suggest for the committee members that should such a challenge be made in the future, it should be in a timely manner. It should be done at the beginning of a set or procedure. We’re going to the Ministry of Finance on the next occasion after we finish the Ministry of Energy—if that ever, indeed, happens—and I am the finance critic. I am sure that someone will find something that I have said in my past experience to the Ministry of Finance. So if that is the intent of any member of the committee, then please do so at the commencement, when we start finance, not halfway through the proceeding.

So I will not recuse myself, and Ms. MacCharles, you have the floor.

Ms. Tracy MacCharles: Thank you, Chair. Again, with the utmost of respect, I request to appeal your ruling.

Mr. Grant Crack: Mr. Chair, can we have a 20-minute recess to discuss the appeal?

The Chair (Mr. Michael Prue): You are appealing my ruling that—I don’t know whether that’s appealable. It’s a point of order and I’ve taken it. You’re appealing the ruling of the Chair—

Ms. Tracy MacCharles: Yes.

The Chair (Mr. Michael Prue): —that I not recuse myself?

Ms. Tracy MacCharles: Correct, with all due respect.

The Chair (Mr. Michael Prue): And to whom are you appealing?

Ms. Tracy MacCharles: The Legislature itself and the Speaker of the House.

The Chair (Mr. Michael Prue): I’m trying to think: How did I give a ruling? I just said I would not recuse myself.

Mr. David Zimmer: On a point of order: I asked you to recuse yourself, with respect, Chair. You ruled on my

point of order. Your ruling on my point of order that you recuse yourself was—you declined. You ruled against me on that point of order. Ms. MacCharles wants to appeal your ruling on my point of order.

Mr. Grant Crack: And then a 20-minute recess, Mr. Chair.

The Chair (Mr. Michael Prue): I'm just trying to think. This is getting beyond bizarre. It really is. It's getting beyond bizarre.

Mr. Clerk, any comment on this?

Mr. David Zimmer: Chair, if I may, by analogy: By analogy sometimes, in judicial or quasi-judicial proceedings—

The Chair (Mr. Michael Prue): Which this is not.

Mr. David Zimmer: I said by way of analogy.

The Chair (Mr. Michael Prue): Okay. Just hold on for a second.

The clerk has advised me that there was no motion made that is appealable. Therefore, since there's no motion that is appealable, there can be no request for a 20-minute recess. There is no motion before this committee.

Mr. Bill Walker: Mr. Chair?

The Chair (Mr. Michael Prue): On a point of order? No? I have to recognize Ms. MacCharles. She has the floor.

Ms. Tracy MacCharles: I just want to be clear on the record. What I'm appealing is the point of order made by Mr. Zimmer. I believe my colleague has asked for a 20-minute recess.

The Chair (Mr. Michael Prue): You cannot have a 20-minute recess unless there's a motion on the floor to be voted upon. There is no motion on the floor that can be voted upon.

Ms. Tracy MacCharles: So I take it, Chair, that I should proceed to continue to discuss the amendment—

The Chair (Mr. Michael Prue): That is what I am asking.

Ms. Tracy MacCharles: —if I'm following the procedure. Okay.

Just to be clear, I have the floor on amendment 2.

I move that the motion be amended by deleting the words "that the Standing Committee on Estimates asked questions of the Minister of Energy on May 9, 2012, about the Oakville and Mississauga power plants. The minister refused to provide specific answers, citing the answers would be, and I quote, 'commercially sensitive.'"

In terms of the rationale and why I support this amendment—which is what I believe I'm to speak to now—and as pointed out by the Chair on several occasions, it is within ordinary practice and parliamentary tradition for individuals appearing before committees to raise issues of privilege and confidentiality in response to questions asked by committee members. Including this language in the motion—this is Mr. Leone's original motion, going back to that—could leave the impression that the minister violated parliamentary tradition and practice, and that is why I am supporting this motion.

As I was starting to talk a bit about last week, it's our view and my view that the minister in no way refused to answer questions put to him. He answered each and every one. There are circumstances, and we believe this is the case as well, where the minister's answer was due to the extremely sensitive nature of the information regarding the ongoing negotiations and litigation involving these two facilities.

I talked to the committee last week about an example in my own riding where misinformation was communicated and how I'm continuing to deal with the impact of that, encouraging the committee to keep that in mind. When misinformation or premature information gets circulated, it can be very disruptive to communities. So again, I guess what I want to emphasize is that it is within ordinary practice and parliamentary tradition for individuals appearing before the committee to raise issues of privilege and confidentiality.

At the very least, I ask that the language in the motion, as referred to in the amendment, be deleted on the basis that it is misleading and a mischaracterization of the minister's answers here on, I believe it was, May 9, 2012. He didn't refuse to answer questions. To the contrary, he was upholding his responsibility to this Legislature and the government and as an MPP and a member of the executive council.

So it's for those reasons, Chair, I do support this amendment, again emphasizing that we have a collective responsibility, as elected representatives, to ensure that information is managed properly, that we don't intentionally or unintentionally create adverse impacts in any of our communities, any of our ridings in the province. Government is confusing and complicated enough, and that's why I think we all have to work together in a non-partisan way when we make decisions of this magnitude, so as to not create undue confusion or complications about information, and especially when we're talking about negotiations and litigation involving the two facilities in question that the minister could not release certain facts on. So I strongly encourage all members of this committee to consider that and respect ordinary practices and parliamentary traditions on matters of this regard.

I am concerned that the language in this motion could leave the impression that the minister violated tradition and practices, which is clearly not the case, in my view. Thank you, Mr. Chair.

The Chair (Mr. Michael Prue): Further debate? Mr. Zimmer.

Mr. David Zimmer: The amendment asks that the motion be amended by deleting the words in the main motion: "that the Standing Committee on Estimates asked questions of the Minister of Energy on May 9, 2012 about the Oakville and Mississauga power plants. The minister refused to provide specific answers, citing the answers would be, and I quote, 'commercially sensitive.'"

In fact, as I said the other day, the minister in fact did respond substantively to the matters here and disclosed what he could disclose, and with respect to certain

matters raised the question of privilege and exercising his discretion to protect sensitive commercial negotiations which, if that information was put forward by the minister now in a public domain, would adversely affect the negotiations, possibly and probably to the detriment of a successful conclusion to the negotiations which would be fair and, indeed, advantageous to the people of Ontario.

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So the way it stands now, the main motion which this seeks to amend tries to create the impression that the minister was asked certain questions and basically gave the committee the finger and said, “I’m not going to deal with this request for information,” when in fact that’s not the case. As I referenced the other day, the minister responded in a letter dated May 30 addressed to the committee. He addressed the letter to the Chair, and I know that all committee members have a copy of the letter, and I do want to put it into the record.

“Dear Mr. Prue:

“I am writing in response to the May 16, 2012 estimates committee motion brought forward by MPP Robert Leone under standing order 110(b) directing the Minister of Energy, the Ministry of Energy and the Ontario Power Authority (OPA) to produce all correspondence in any form, electronic or otherwise”—

Mr. Bill Walker: Point of order.

The Chair (Mr. Michael Prue): On a point of order, Mr. Walker.

Mr. Bill Walker: It seems that we are regurgitating the same information over and over, and I would suggest respectfully that, pursuant to standing order 23(c), this repetition is purposely obstructing us getting to the actual amendment vote, and I would ask that you rule that we carry on to the vote.

The Chair (Mr. Michael Prue): If I could just find out from Mr. Zimmer: Is it your intention to read that entire three-page document? If that’s what it is, then I think the point is well taken. If you’re just going to quote a line or two from it, then please go ahead and do so.

Mr. David Zimmer: I intend to quote a line or two of it and then add my commentary, perhaps, on that line or two that I quote. Essentially, the point that I’m trying to get across is that on any fair reflection of this six-page letter, the minister responded fairly, substantively and comprehensively to the request, except that piece where he exercised his discretion as a minister of the crown to do what he deems best in the interest of the—

Interjection.

The Chair (Mr. Michael Prue): Just hold on. I’m not going to allow the point of order at this time. Please continue, Mr. Zimmer.

Mr. David Zimmer: Thank you. So the first part of the letter just refers to the Oakville and the Mississauga situations. The minister says in the letter that he respects the authority of the committee and so forth and so on. He talks about some technical aspects of the litigation and so on. He confirms that the minister made an extensive search of the relevant and requested correspondence, that

they did in fact find correspondence and documents. But that’s when the minister, with respect to that correspondence dealing with the Oakville and Mississauga issue, exercised his discretion by saying—and this is the nub of the matter: “Disclosure of these documents is anticipated to have a negative impact on resolution of these files in the light of ongoing, confidential discussions, as well as litigation, in these files.”

Mr. Rick Nicholls: Point of order, Chair.

The Chair (Mr. Michael Prue): On a point of order, Mr. Nicholls.

Mr. Rick Nicholls: I believe that our colleague across the way has already made reference to this particular letter before. I also don’t believe that he’s speaking to the amendment. He is actually speaking to the motion. Right now, it is my belief that we’re debating the motion at hand. Therefore, I would ask that we call for the vote.

The Chair (Mr. Michael Prue): I can’t interrupt a speaker. When it’s your turn, you can ask to call for a vote at any point when you are recognized. I don’t have any other speakers after Mr. Zimmer, but he has the floor, and he has to be allowed to finish.

Mr. Zimmer, the point that—please try to get as close as you can to talking about the amendment which was put forward by your colleague Mr. Moridi. That’s the issue before us, not the main motion at this point. It’s the amendment.

Mr. David Zimmer: All right. Then I go back to the amendment because that—the main motion says, in effect, “Minister, we asked you for such and such and you didn’t give it to us. Now we are specifically saying that we want all of this correspondence and so on.” The minister has addressed that matter. He addressed that matter in his letter of May 30, which is a comprehensive answer to the matters requested by the committee, albeit with the narrow piece that there are certain documents and email correspondence and so on surrounding the negotiations which anybody, any right-thinking person who’s involved in any kind of negotiations, whether it’s settling a business dispute between two business partners or sorting out a settlement in a divorce proceeding or a car accident—but where two parties are trying to resolve their differences.

The one party, in this case, is a private sector entity, the contractors and so forth in building the plants at Oakville and Mississauga. The other side is the government. So the private sector people, if this amendment is not allowed and the main motion goes through as crafted, and if that motion is successful and the minister is ordered to release those confidential documents and so on around the negotiation—the bottom line effect is that the private sector company, which can keep its negotiation position and what it intends to do and how it intends to play out the negotiation, what its ultimate goal in the negotiation is, what it would like to achieve in terms of the damages and the finances, if any, keeps that private, and so the other side has no idea what their strategy is, how they’re going to approach this negotiation.

You contrast that with the government position, where the government position—if the main motion is not

amended by this amendment and it goes ahead and down the road the minister is required to produce all that confidential information, then the private sector side of things has an enormous advantage because they know what the other side is trying to achieve. They know the other side's strategic plan in the negotiation. They know the other side's tactical plan of the negotiation.

Just by way of analogy, imagine this: You've got two armies and they're about to start a battle. There's some referee to the battle, like the Chair or this committee. These two sides are in a battle and somebody says to the one side in the battle, "Okay, you release your battle plans to the other side. The other side, you can keep yours secret." That's a bizarre situation, and it's unfair to the party that has got to release their plans.

I know it's an analogy, but we've got the same situation here. There's the potential, given these power plants and the sums of money involved and all of that sort of stuff, that there may well be huge consequences if one side has to lay out their negotiating plan and the other side doesn't.

Whatever your view is of how it came about that the plants were closed and all of that business—which is, there are political positions there that all parties have—the fact is, on a going-forward basis, we are desperately trying—all parties are: the private sector, the government, the municipalities—everybody is trying to reach a settlement that's fair to all the parties. To get one party to unilaterally disclose its position gives the other side such an enormous advantage that, in my submission, if this committee were to order the minister and the ministry to disclose its strategic and tactical position, the members of this committee—and I'm reluctant to say this but it has to be said—would be doing a great disservice to the members of the Ontario public, to taxpayers' dollars. Fast-forward ahead: Supposing the motion, unamended, goes through—

The Chair (Mr. Michael Prue): I just noticed the time. It's 10:20. I will cede the floor back to Mr. Zimmer when we return this afternoon. But I did promise Ms. MacCharles she would have at least an extra five minutes to get upstairs.

Ms. Tracy MacCharles: Thank you, Chair. I appreciate it.

The Chair (Mr. Michael Prue): We are going to recess now until this afternoon, but I would remind members that there is a subcommittee meeting here at 11:30, or as soon after question period as you can get here. The purpose is to discuss possible dates for the subcommittee to meet over the summer, because we have to get our work done in estimates.

Recessed.

Mr. David Zimmer: Chair, or Clerk, can we leave our papers here?

The Chair (Mr. Michael Prue): Absolutely.

The committee recessed from 1021 to 1557.

The Chair (Mr. Michael Prue): I call the committee to order. When the committee broke just this morning, we were in debate. Mr. Zimmer has the floor.

Mr. David Zimmer: Thank you, Chair. How much time do I have left, Chair?

The Chair (Mr. Michael Prue): Approximately eight minutes.

Mr. David Zimmer: Thank you.

I was just highlighting—I mean, I made the point that what the opposition is trying to say here is that the minister is improperly resisting this committee's request for information, which the committee says it has a right to hear, to have, and that the release of that information by the minister trumps any concerns that the minister has; and further, that the minister has, in a very cavalier way, snubbed his nose at this committee. I want to point out, Chair, that in fact—and you have it before you and I won't read it all into the record again; I did that the other day, most of it—the minister released a five-page, detailed letter, in which it's clear from any reasonable reading of the letter that he's not snubbing this committee, he's not just cavalierly dismissing the committee's request and sort of holding up or trying to shelter behind this idea of privileged documents because he doesn't want the other side to see the documents, but he lays out a very detailed and cogent argument as to why.

The gist of the argument—and I come back to the points that I made this morning—is that the minister has an obligation and the ministry has an obligation and the government has an obligation to conduct these negotiations with the commercial interests representing the power plants in Mississauga and Oakville, which we are not proceeding with, in such a way as to get the best possible exit deal, if you will, for the Ontario taxpayers.

I used that analogy this morning—and in fact, I had a call at my office about this over the noon hour—about two entities about to start a battle, army A and army B, and what a scandal that would be if somebody ordered army B to release its battle plans to army A, and that led to the defeat of B. That's a very dramatic analogy, but it's exactly what we're facing here, because those commercial interests out there would love to know. And any of you members opposite, members of this committee, that have been in any business negotiations or any other complex negotiations and you're trying to figure out what the other side is thinking, what they're going to do, what they want, what they're prepared to give up and so on, whether it's a business negotiation, a labour negotiation, a negotiation with an ex-wife over family assets, you want to be very careful about what you disclose, how you disclose it and the manner in which you disclose it.

In summary, I say this to the members of the opposition, quite directly, on the record—on the Hansard record—I say this to Michael Harris, Progressive Conservative representing Kitchener—Conestoga; I say it to Rob Leone, Progressive Conservative representing Cambridge; I say it to Rick Nicholls, Progressive Conservative representing Chatham—Kent—Essex; and I say it to Peter Tabuns, NDP member representing Toronto—Danforth: If you vote against this amendment and, indeed, as this whole matter proceeds before this committee, if the end result is that the minister is forced to

release that information—that sensitive commercial information—to this committee and that jeopardizes the government of Ontario, the Minister of Energy, the officials at the Ministry of Energy, if it jeopardizes their negotiation position and places them in a weaker position vis-à-vis these large commercial entities out there that are private sector, profit-driven—their strategy is to get the most out of the government as a result of the cancellations of these deals.

If you force the minister to release that information, then, in effect, you are going to have blood on your hands, if you will, because the government is going to end up in a weaker negotiating position. A vote against this committee would put Ontario taxpayers at a disadvantage. The consequences of weakening Ontario's position could be immense. The only winner—the only people that are going to come out on the plus side of this thing, if these documents are released, are the commercial interests; certainly not Ontario taxpayers.

I say this to members of the opposition: Think very carefully about how you vote on this. Do you want your voting record in Hansard, as reflected in the votes in this committee, to show that you voted to disclose sensitive commercial information that jeopardized Ontario's negotiating position and has ended up costing Ontario significantly more than it would cost if the minister was allowed to, in a very sensitive way, negotiate this to get the best deal for Ontario? Do you really want that on your hands or your voting record? Do you really want your constituents in the riding of Kitchener—Conestoga, in the riding of Cambridge, in the riding of Chatham—Kent—Essex, in the riding of Toronto—Danforth to know that the members that they sent to this Legislature to represent the interests of Ontario, to get the best possible deal for Ontario; that those members—Kitchener—Conestoga, Cambridge, Chatham—Kent—Essex, Toronto—Danforth—jeopardized Ontario's negotiating position and placed the province, the minister, the ministry in a weaker position than they would have been in? I think for members of the opposition to allow that to happen is scandalous.

Thank you, Chair.

The Chair (Mr. Michael Prue): Okay. I have, first of all, Mr. Tabuns, and then Mr. Harris.

But before I recognize them, I want all members here to realize that the motion made by Mr. Leone is to be sent to the Speaker. The Speaker then has to make a determination if there's a prima facie case, and then the debate is allowed to take place in the House. The debate ought not to be here. We are here in order to do the estimates, so I'm trying desperately to steer people down the road. We have 80 hours left of estimates and we're not getting any of those estimates done.

I have Ms. MacCharles down third. First of all, I have Mr. Tabuns, then Mr. Harris, then Ms. MacCharles.

Mr. Peter Tabuns: I'm prepared to vote in favour of the motion and ask that we proceed to a vote.

The Chair (Mr. Michael Prue): So—

Mr. Peter Tabuns: Sorry, to this amendment that was—

The Chair (Mr. Michael Prue): To the amendment.

Mr. Peter Tabuns: Yes.

The Chair (Mr. Michael Prue): So you're calling the previous question.

Mr. Peter Tabuns: I am.

The Chair (Mr. Michael Prue): All right. We have a motion to call the previous question. All those in favour of calling the previous—

Mr. Grant Crack: Twenty-minute recess, Mr. Chair. I think that's in order.

The Chair (Mr. Michael Prue): It is in order, if you need a 20-minute recess. They've already indicated they're going to vote for it.

Mr. David Zimmer: I think it's important so that the Conservative members know; we now know the NDP position. Conservative members should think very carefully about this and, in my submission, follow the lead.

Interjection.

The Chair (Mr. Michael Prue): No, they put their hands up to vote, but if you need 20 minutes to confirm that you're going to get four votes from the other side along with your own vote—if you really need that, then you can have it. You need it?

Mr. Grant Crack: Yes, sir.

The Chair (Mr. Michael Prue): All right.

Interjection.

The Chair (Mr. Michael Prue): I can't deny him. It is in the standing rules.

Mr. Bill Walker: I was next on the speakers' list.

The Chair (Mr. Michael Prue): I know, but it is the standing rules. He was first. He moved the previous question. There is a request; he has the right to ask for it. Although I do not understand the need, he has it, and we're recessed for 20 minutes.

The committee recessed from 1605 to 1625.

The Chair (Mr. Michael Prue): Okay, we're going to call the meeting back to order. Just so it's clear for the record, what Mr. Tabuns was intending to do is to call the question, not on the whole thing, which would mean that no more amendments could come forward, but just on this particular amendment.

We have the amendment before us. I trust that everybody has had 20 minutes to think it through. All those in favour of the amendment? This is the amendment by Mr. Moridi. Opposed? That's carried unanimously.

On to the next amendment. The next amendment is submitted under the name of David Zimmer.

Mr. Rick Nicholls: Can you hold on for a few seconds?

Ms. Tracy MacCharles: Sure.

Interjections.

Mr. Rob Leone: Mr. Chair, I have a question.

The Chair (Mr. Michael Prue): I'm just waiting for the clerk to come back. I think we need to have him here, in case.

Interjections.

The Chair (Mr. Michael Prue): Here is the clerk.

You have a question.

Mr. Rob Leone: Mr. Chair, my question is with regard to—I'm wondering if we could at least know the number of potential amendments that we're going to be seeing from all parties on the main motion and, at the very least, if we could see all of those amendments in advance before we proceed with doing this one by one. I'm hopeful that we could do that and, again, in the interests of time and resources, and given the fact that we have a number of other ministries that are coming after the Ministry of Energy, that we at least have in front of us all the amendments that are moving forward. I don't think that's an unreasonable request, a request that—

The Chair (Mr. Michael Prue): It is not. That's a point of privilege, and it's well taken. I would ask the clerk to submit—there are a total of eight amendments, and we have dealt with two. There are six more. It's my understanding that they've all been placed by the Liberal members. I see the first two have David Zimmer's name on them. The others are not signed, but I'm assured somebody is going to move these.

Mr. Rob Leone: I'm wondering, Mr. Chair, if we could limit the debate—this is a question; I don't know if it's possible—on all these amendments and do it at the same time, as I suspect we're going to hear much of what we've heard over the last little while.

The Chair (Mr. Michael Prue): There can only be one request at a time. That is a motion that could be made if somebody wants to make it, that debate on this amendment is limited to half an hour or something, but I'm not going to tell you what to do.

Mr. Rob Leone: Can I move that motion?

The Chair (Mr. Michael Prue): That is within the rights of the committee.

Mr. Rob Leone: Can I move a motion, Mr. Chair, to limit debate on each amendment to 15 minutes?

The Chair (Mr. Michael Prue): This is a debatable motion, so if you move this, it is debatable all by itself.

Mr. Rob Leone: I'm moving it.

The Chair (Mr. Michael Prue): All right. We have a motion moved to limit debate on each of the remaining six amendments to 15—

Mrs. Teresa Piruzza: So what are you asking? He just said "on this amendment"?

The Chair (Mr. Michael Prue): Each of the remaining. There are six amendments. We're going to have them distributed, first of all. Let's distribute them first and make sure that everybody has them.

Interjections.

The Chair (Mr. Michael Prue): I think, in order to allow the clerk an opportunity to collate these and give them out, we'll take a five-minute recess.

The committee recessed from 1630 to 1641.

The Chair (Mr. Michael Prue): The meeting is resumed. Everybody now has the amendments that have been filed, amendments 3 through 8. Mr. Leone has moved that—go ahead, Mr. Leone.

Mr. Rob Leone: Thank you, Mr. Chair.

Mrs. Teresa Piruzza: Chair, I have a point of order, please.

The Chair (Mr. Michael Prue): A point of order on his motion?

Mrs. Teresa Piruzza: On his motion.

The Chair (Mr. Michael Prue): On a point of order, then.

Mrs. Teresa Piruzza: While we were out there discussing the motion, we all had a bit of a different understanding with respect to what the motion was, so I believe in order to ensure that we all have the same understanding of what Mr. Leone's motion is, I think we need to see it in writing. I'm requesting that we see the motion in writing.

The Chair (Mr. Michael Prue): I think that's more than reasonable. Mr. Leone, if you could explain it first and then take a few minutes to write it out.

Mr. Rob Leone: Sure, no problem. Well, Mr. Chair, the reason why I moved the motion is because I think that there's a sense of frustration that a motion that is not even—the original motion, I should say, that's supposed to send this motion to committee—that's what we're voting on—is being delayed due to the tactics that we're seeing on the governing side. The reason why I initially proposed to move the motion was to suggest that the government is just wasting time.

I think we need to move the process forward. We know that this is going to go the House eventually, whenever it gets debated and so on.

Mr. Chair, I'm going to withdraw the motion, and I just wanted to provide that rationale on record, in Hansard, as the member for Willowdale likes to say. I'm going to withdraw that motion, but I do want to restate the position and the intent of that motion, which is to say, "Let's get going here. This is something that the Chair himself cannot rule on. He's just sending this to the House for the Speaker to rule on."

Mr. David Zimmer: Chair, a point of order. If the motion is being withdrawn, then—

The Chair (Mr. Michael Prue): The motion is being withdrawn. There's nothing further to discuss on the motion. It's done.

Interjections.

The Chair (Mr. Michael Prue): As to the reasons for withdrawal, he's made his statement. We now have motion 3, and Mr. Zimmer, this is in your name.

Mr. David Zimmer: Ms. MacCharles is going to—

The Chair (Mr. Michael Prue): It needs to be read into the record.

Ms. Tracy MacCharles: I'll do that, Chair. Thank you. This is amendment number 3 to the motion, Standing Committee on Estimates, submitted by David Zimmer, MPP, Willowdale, June 6, 2012.

I move that the following section of the proposed motion, "furthermore, that the committee recommends to the House that the Minister of Energy be compelled to provide the Standing Committee on Estimates, without delay, the documents and information it ordered pursuant to standing order 110(b) and, if the minister refuses, that he be held in contempt of Parliament for breach of privilege" is amended to read, "furthermore, that the com-

mittee recommends to the House that the Minister of Energy be compelled to provide the Standing Committee on Estimates the documents and information it ordered at such time as the ministry anticipates that producing such materials would no longer have a negative impact on these matters with respect to relevant confidentialities, privileges or commercial sensitivities, pursuant to standing order 110(b) and, if the minister refuses, that he be held in contempt of Parliament for breach of privilege.”

The Chair (Mr. Michael Prue): What has been read into the record is not what I have in front of me.

Ms. Tracy MacCharles: Amendment 3?

The Chair (Mr. Michael Prue): Maybe I have an old one.

Interjection: It was changed.

Ms. Tracy MacCharles: Is it changed? I apologize. I'm just reading the one I have, and I think it's the one Mr. Zimmer has.

The Chair (Mr. Michael Prue): Perhaps the clerk could tell us—

Ms. Tracy MacCharles: I don't know what's been handed out.

Interjection: This is what's been handed out.

Interjections.

The Chair (Mr. Michael Prue): I'm advised by the clerk that the copy that was moved is different from the one that was filed; therefore, he is required to make copies of the one that is now moved. We will take another couple of minutes' recess while he makes copies and distributes them.

Mr. Rob Leone: Mr. Chair, can we move to—

The Chair (Mr. Michael Prue): No. We have to deal with them in the order in which they were filed. This one has been moved, so we just have to make sure that everybody has a copy in front of them.

Mr. David Zimmer: So we're dealing with—

The Chair (Mr. Michael Prue): I just want to recess for a minute or two.

The committee recessed from 1646 to 1650.

The Chair (Mr. Michael Prue): Meeting resumed. We now have all received a copy of the correct amendment and it has been read into the record. Discussion? Ms. MacCharles, you have the floor, if you want to discuss—

Ms. Tracy MacCharles: Thank you. This amendment 3, while it may appear similar or the same as amendment 2, is somewhat different when you look at the wording. I, of course, support this amendment to the motion. It really provides a different level of emphasis in the amendment in that, “the documents and information ordered at such time as the ministry anticipates that producing such materials would no longer have a negative impact on these matters with respect to relevant confidentialities, privileges or commercial sensitivities.”

Again, I shared with the committee today and last week my concerns about the ongoing damage I'm dealing with about incorrect material that was distributed in my riding about—

Mr. Rob Leone: Point of order.

Ms. Tracy MacCharles: —relocation of a gas plant, and furthermore—

The Chair (Mr. Michael Prue): Sorry, I have a point of order. Mr. Leone.

Mr. Rob Leone: Again, Mr. Chair, I think we should stick to the reasons why these words should change, and not what happened in the last election campaign. I think we're repeating and being excessively repetitive, according to standing order 23(c), and I hope that the Chair can rule on that.

The Chair (Mr. Michael Prue): Yes, I can. I think your point is well taken, but I'm going to give some latitude to Ms. MacCharles. But really, in all of these amendments, we need to try to confine ourselves to why the amendment is in order and why the changes are necessary to properly reflect what has been put forward in the main motion. If you could do that, we could certainly move along much more quickly.

Ms. Tracy MacCharles: Yes, of course, Chair, and I appreciate the advice. I also recognize, too, that it is the government's right to submit amendments and have them debated, so I will get to—and continue to get to—the point here. As I said, it's somewhat different, but I think this is a timing difference in this particular amendment to the motion.

This is very important and I won't bring up what happened in the election again, but I will talk about the fact that where I live, my riding, is an energy belt, so to speak. It's a nuclear capital, and I'm very concerned that if we don't have amendments such as this accepted, then it puts, really, a sense of nervousness into not just the nuclear energy sector out in the region of Durham where I live—and I represent part of that—but also the renewable energy players, all the start-ups that come together to bring balance to how we provide energy to Ontarians. I think it's very important that we allow the ministry to anticipate what that right timing is vis-à-vis the negative impacts.

Again, it's similar to the last one about confidentiality, privileges or commercial sensitivities. I've sat in rooms full of people hosted by the board of trade in this sector who are, quite frankly, going to drive energy forward across the GTA on behalf of our province. If there is any inkling that confidentialities and privileges could be breached, it's going to set a precedent that would be unacceptable to the sector, whether it's nuclear, renewable or other. It's going to have a chilling effect.

Quite frankly, we're at a time right now when we need to be, I think, appropriately careful as we move forward. We cannot have concern on behalf of the sector that material is going to be released inappropriately and that there will be violations of proprietary information, confidential information and so on.

Some of these businesses, quite frankly, are in the infancy stage of becoming a real player in energy in Ontario. I think they need confidence from us as a government that we are providing leadership, we are providing safe carriage of information, and we are proactively leading this so as to not cause concern, to not cause

companies to be skittish and back away. I think that's why this motion—sorry, this amendment to the motion; I've got to get my language right—is very, very important. Those are some of the reasons I support it. I know first-hand because I sit with these people. I sit with the business leaders throughout Durham and the other players that want to come to Ontario and be a player in this sector.

That's why, Chair, I respectfully submit that this motion is required and that we must debate this amendment separately from other amendments.

The Chair (Mr. Michael Prue): Mr. Harris.

Mr. Michael Harris: Oh, I was just going to say thank you for your input on this amendment, but I'd like to call the question on it.

Mr. David Zimmer: Further debate over here.

The Chair (Mr. Michael Prue): You're calling the question—

Mr. Michael Harris: On the amendment.

The Chair (Mr. Michael Prue): On the amendment.
Interjection.

The Chair (Mr. Michael Prue): Well, it's not debatable. Is it a point of order that you have?

Mr. David Zimmer: Sorry, Chair, I—

The Chair (Mr. Michael Prue): Calling the question is not debatable. Either vote for it or vote against it. If it's defeated, then I will recognize you next. He's not calling the whole question; he's calling the question only on the amendment. Can he even do that?

Mr. David Zimmer: No—

The Chair (Mr. Michael Prue): Just hold on.

I have been reminded, and it is correct, that the rules in the House state that if the question is put, it is on the main motion; it is not on the amendment.

Mr. David Zimmer: Sorry, Chair, I didn't hear that.

The Chair (Mr. Michael Prue): It is on the main motion, not on the amendment. So then I have to think, when I hear that, whether or not there has been sufficient debate. Since the amendment has only had one person speak to it, I would recognize the next speaker.

Mr. David Zimmer: Thank you, Chair. Here's the irony of the opposition, if they're going to vote against this amendment. On the one hand, the opposition has said to the minister, "Give us all of these documents and information, the supporting materials on what's going on, on the negotiations on the Oakville and Mississauga plant."

Then, the minister responds in his letter of May 30—and I don't have to go into that in detail; I've done that already. In the letter, he makes his detailed and cogent arguments saying, in effect, "Look, the information that you want is of such a nature that it's not appropriate at this time to release it because of these sensitive commercial negotiations" and so on. When you read the letter through carefully he recognizes the authority of the committee, and he recognizes the responsibility of members of all parties to effectively do their work at estimates and get the information that they need to further the work of the committee and further their roles as MPPs. He lays

out the argument on why he can't release it at this time. It's not a refusal; it's a qualified response saying, in effect, "I'll release it when it's appropriate to do so and I can release it in such a way as to not injure the interests of Ontarians and Ontario taxpayers."

What this amendment does is, it really gets to the nub of the minister's response in his letter of May 30, because the amendment says, "Furthermore, the committee recommends to the House" and so on. The amendment that we want is, "at such time"—referring to the release of the information that the minister wants, at this time, to hold in abeyance—"that doing so is no longer anticipated to have a negative impact on the public interest in resolving these matters in the light of maintaining privilege and confidentiality." So the amendment quite specifically reinforces what the minister has already said in his letter. He says, in effect, "Yes, the committee's got a right to that information at a point in time when it's not going to do any harm to Ontarians, and I, as a minister of the crown, have a responsibility to make that judgment call."

1700

The irony here is that if we vote in favour of this amendment, we are reinforcing the minister's position, which you can distil from reading his letter: "Yes, I've got the information. It's not that I don't want to release it; it's that I don't want to release it now because we are in the midst of these sensitive negotiations."

I would like to think that the opposition parties would support this amendment, because the amendment does two things. It ensures that they will get the information that they require, and then they'll get it in a way, in a manner, and at a time that does not in any way jeopardize the interests of Ontario taxpayers.

This amendment, in effect, if you will, is a win-win for everybody. It's a win for the opposition parties. They get the information at a time and in a manner that doesn't jeopardize Ontario's negotiating position, so that must be good for opposition members. What member of whatever party would want to be seen to be jeopardizing the interests of Ontario's taxpayers?

It seems to me, in effect, that this amendment is the best of all possible worlds, and all parties should vote against it because it provides a mechanism and a time to get the information in a manner that doesn't do any harm to Ontarians.

The Chair (Mr. Michael Prue): Thank you. Mr. Leone.

Mr. Rob Leone: Again, I think that these amendments are speaking to the same points. It's becoming pretty repetitive in this committee, and I hope that this is going to exhaust the kinds of things they're going to be saying on an ongoing basis on this.

Those are basically the comments I want to make on it. I hope that we can proceed through all these amendments in a much more timely fashion, without delay, so that we can finish the Ministry of Energy and get through all the ministries that we have here, period.

The Chair (Mr. Michael Prue): Further debate? Ms. Purizza.

Mrs. Teresa Piruzza: I'm pleased to be back, sitting at the committee of estimates. I've not been at the last couple of meetings, so I was a bit surprised that we're still kind of going over the motion and the different elements of it, only because, when we discussed this when I was here, we were quite clear in terms of needing to ensure that we protect our interests and protect Ontario's interests.

We've spoken a number of times with respect to the sensitivity of all the documents. The motion that we have in front of us here, amendment number 3, is really making it very clear that, as a government, we won't release any documents that will have a negative impact on the province. I think that's quite clear, and that should have been in the original motion that was brought forward.

Frankly, we're all here to protect the interests of Ontario, and we need to be very clear. The minister did provide his response, and he had the same wording in his response as well, that some of these documents can't be released right now. I frankly can't believe that the opposition members would consider it appropriate to release any documents that might jeopardize our interests. That's still quite surprising to me.

Again, we're here to protect our interest. We're here to protect our legal interest, and with such sensitive information that may come forward, I think we need to protect that. That's the response that the minister did provide to the original request for information, in terms of ensuring that we protect ourselves, that we don't release any information that may be sensitive.

Again, that wording belongs in the motion. I don't think it takes away from what Mr. Leone might be saying in terms of trying to get his information. It's that you have to wait till it doesn't have any negative impact on us, and that's frankly—

Ms. Tracy MacCharles: Timing.

Mrs. Teresa Piruzza: That's right. It's all in the timing, as my colleague here is indicating. It's the timing in terms of when the documents may be released and when would be the appropriate time for them to be available. Frankly, at this point, it's not the right time. That would be my consideration in terms of the amendment that's being brought forward right now, this amendment number 3.

The Chair (Mr. Michael Prue): Further debate? Mr. Crack.

Mr. Grant Crack: Thank you, Mr. Chair. For 11 years, I had the privilege of serving as the mayor of a municipality in eastern Ontario, the township of North Glengarry, which was formerly Alexandria. Mr. Chair, I know that you were a mayor as well, so I'm sure that you dealt with a number of issues that required confidentiality as well.

At that particular point, we would have been dealing under a creation of the province of Ontario, which is called the Municipal Act. Under the Municipal Act, municipalities can deal with legal issues, personnel issues, negotiations, and disposal and acquisition of property in a

confidential manner until such time as there's some conclusion to each and every one.

With all due respect to the line of questioning from the opposition, I think it's quite legitimate that you're entitled to ask for the information, but at the same time, as a mayor and having responded to a number of constituents and also responding to the press, I always ensured that any response I gave did not compromise any of the negotiations or the position of the municipality. I would think, at the Ontario government level, if they've created a Municipal Act that would reflect the issues I've just talked about, it would speak to the same thing when it comes to the Oakville and Mississauga plants.

When you get into these types of negotiations, it's always important to note that, as a government or as a mayor and a council, you always try to get the best deal possible for your taxpayers and/or your ratepayers. As such, you don't compromise those negotiations. I think Mr. Leone's motion has gone too far, and as such, we have a number of amendments that we're going to be putting forward here. We think they're important, because it's our obligation, our responsibility, to ensure that we do get that best deal and that we respect—it's a matter of respect, Mr. Chair—the taxpayers and ratepayers of the province of Ontario.

The Chair (Mr. Michael Prue): Seeing no further debate, we have a motion before us.

All those in favour of the motion, please signify.

Mr. Grant Crack: Could we have 20 minutes, Mr. Chair? I need a 20-minute recess.

Mr. Peter Tabuns: They actually had their hands up.

The Chair (Mr. Michael Prue): Well, I saw one hand go up, and then I saw Mr.—

Mr. Peter Tabuns: There were two.

Mr. Grant Crack: No.

Mr. Peter Tabuns: The vote was in process.

Mr. Grant Crack: We need a 20-minute recess, Mr. Chair, with all due respect.

The Chair (Mr. Michael Prue): I'm going to grant the 20-minute recess, but we're going to come back and vote on this. We're adjourned for 20 minutes.

The committee recessed from 1708 to 1728.

The Chair (Mr. Michael Prue): Everyone is here and it's within 30 seconds; we'll call the meeting back to order. We now have a vote on motion 3.

All those in favour, please indicate. All those opposed? Again, it's a 4 to 4 vote.

I have some difficulty with this one in that it's changing the words "without delay" to a very nebulous time frame at which time "the ministry anticipates that producing ... materials would no longer have a negative impact on these matters" etc.

I think it's just too open-ended. Had it have been clearer I might have supported it, but this is just leaving it that the minister may never have to report, and I think that the estimates committee has the right to ask for the material with some obligation that it will be forthcoming.

So I'm going to cast my vote in the negative. The motion fails.

We're on to number 4. It's in nobody's particular name. Oh yes, it's in David Zimmer's name.

Mr. David Zimmer: Yes. So, you want me to read it into the record, Mr. Chair?

The Chair (Mr. Michael Prue): Please.

Mr. David Zimmer: Okay. Thank you. I move that the last sentence in the last paragraph of the motion is amended to say, "furthermore, that the committee recommends that the Minister of Energy provide the Standing Committee on Estimates the documents and information it requested, pursuant to standing order 110(b) using the prescribed process as outlined in the Freedom of Information and Protection of Privacy Act R.S.O. 1990, Chapter F.31."

The Chair (Mr. Michael Prue): Okay, before you proceed, I have discussed this with the Clerk's office and my own reading of the bill. This is out of order. It is out of order for the reason that, first of all, 110(b) prescribes no limits on what the committee can ask for. It said, "Except when the House otherwise orders, each committee shall have power to send for persons, papers and things." It does not say going through freedom of information or anything else. Also, I requested information as to whether or not the Freedom of Information and Protection of Privacy Act applies to committees or the House; I was told no.

So it's clearly out of order.

Mr. David Zimmer: Well, surely I can argue that it—I can now make an argument. You've made a ruling without hearing, without debate.

The Chair (Mr. Michael Prue): There is no debate. I have consulted. It's clear from the standing rules. I checked it with the Clerk's office, and it's clearly out of order on their advice. I think the rationale that they gave was correct.

You are prescribing limits to this committee that it does not have set out in the standing order. You can't do that.

Mr. David Zimmer: With the greatest respect, then, Chair, I want to appeal your ruling.

The Chair (Mr. Michael Prue): All right. My ruling has been appealed.

Mr. Grant Crack: We'll need a 20-minute recess, Mr. Chair, to discuss the ruling.

The Chair (Mr. Michael Prue): All right, then. He is within his rights to ask for a 20-minute recess on the appeal. We stand recessed until 10 to 6.

The committee recessed from 1730 to 1750.

The Chair (Mr. Michael Prue): The meeting is resumed. The question before the committee at this point is, shall the decision of the Chair be appealed to the Speaker?

All those in favour? All those opposed?

I will not appeal my own decision, so that is defeated.

Mr. David Zimmer: Just for the record, Chair, are you voting against it?

The Chair (Mr. Michael Prue): Yes, I am voting. I am voting not to appeal.

Mr. David Zimmer: Okay, I just thought that should be clearly reflected on this.

The Chair (Mr. Michael Prue): Yes.

Mr. Michael Harris: So we're on amendment 5?

The Chair (Mr. Michael Prue): We're on amendment 5.

Mr. Michael Harris: It appears to be nameless.

The Chair (Mr. Michael Prue): Yes, it is nameless at this point. Is somebody taking carriage of this motion?

Interjections.

Ms. Tracy MacCharles: Okay. Amendment 5, including the Chair's ruling on May 16. Amendment 5, June 12, 2012.

I move that the following paragraphs be added before the last paragraph:

"The minister's response was in accordance with a ruling of the Chair made on May 16, 2012, regarding the minister's ability to protect the interest of the province in these proceedings. The chair ruled:

"I would have to rule, in my opinion, that this motion is in order, because the committee has the right to ask for documentation, as Mr. Leone has pointed out in his counter-argument. They have the right to ask for the documentation. The minister has the right to decline either giving that documentation or giving voice to that documentation during his answering of the questions."

May I continue, or one of my colleagues?

The Chair (Mr. Michael Prue): Surely.

Ms. Tracy MacCharles: So if I could speak to this amendment to the motion, Chair, amendment 5, including the Chair's ruling on May 16: It's clear to me that the opposition members are seeking to endorse, advocate and lobby for a prejudicial report against the Minister of Energy. The report that the opposition are lobbying for would be taken as a substantive and damaging position against the minister that would only serve the political needs of the opposition, and not in the best interests of our province.

This motion would send a report to the Legislature and to the Speaker that would have a prejudicial ruling on the following items: the committee compels the documents, irrespective of the sensitive nature of the materials; and if the minister does not bend to the committee's wishes, even though he is following the ruling of the Chair, that there may be a breach of privilege.

Next, the opposition have clearly outlined what they believe needs to be in this report; however, it does not provide the full and complete picture. Our amendment, therefore, seeks to ensure that the report back to the Legislature and the Speaker contains all the relevant and pertinent information that has seized this committee thus far.

I think one of the biggest pieces of information that has governed this committee and the minister's actions is the ruling of the Chair. I will remind folks that the Chair has ruled that the minister has the right to decline documents. In the same way, the Chair has ruled that the opposition members have the right to ask any and all questions about these matters.

In this case, the minister, in his response to the motion that was passed on May 16, 2012, thought it was in the best interests of the province to file the response that he filed—which, I might add, was in line with the Chair's ruling.

While some would say it's frivolous and the opposition is simply playing political games, any report back to the committee should contain facts. Now the opposition has clearly stated what facts they want to include in the report, namely, the full motion that was passed on May 16 and an excerpt of the minister's response. It's only fair and responsible that this motion contain a detailed outline about other facts that need to be included as not to prejudice or unjustly bias anything that goes before the Legislature.

In this vein, Mr. Chair, it's important to note that the context to which the minister responded to the committee be a tenet of this motion as well as a principle of the report from this committee. Anything less than that would clearly demonstrate that the committee is not interested in presenting the facts on what we consider to be a very serious and unfounded charge, or charges, against the minister. Rather, they are out to hold a trial on the floor of the Legislature and besmirch the good name of the minister for political benefit, which would be most unfortunate, Mr. Chair.

I thank you for allowing me to make my comments—and that we do have, I hope, a fulsome debate on our amendment to the motion. Thank you.

The Chair (Mr. Michael Prue): Mr. Leone, then Mr. Zimmer.

Mr. Rob Leone: Mr. Chair, I think the motion should be ruled out of order. I don't believe that inserting a quote from—I don't know who this is being attributed to, with the word "I"—certainly not anything I said; I believe it might have been something that you said, Mr. Chair, which is a ruling that you already made on the original motion. So I think this whole motion—this entire amendment; sorry—is out of order.

The Chair (Mr. Michael Prue): No, I can't rule it out of order. I do find it unfortunate, but I can't rule it out of order. I should state again, so that everybody understands: The motion that has been made by Mr. Leone is for the Speaker to decide. The Speaker will have access to everything that has been said in this committee from the first minute we sat down until the end of the estimates period dealing with this minister and this ministry. It will be up to the Speaker to make that determination, not me. And if I have erred—I hope not, but if I have—I was trying to be fair to all parties. I find it unfortunate that it needs to be within the body of the complaint, but it is a legitimate motion that can be made and I'm going to allow it to go forward.

Ms. Tracy MacCharles: Thank you, Chair.

Mr. Rob Leone: Mr. Chair, again, this is being inserted into a motion in which Mr. Leone—myself—moves the motion. So I'm moving the motion, and I also, apparently, would have to be stating, "I would have to rule, in my opinion, that this motion is in order, because

the committee has the right to ask for documentation...." I just don't understand how they can insert another thing that I did not say into this entire motion.

So that's just my beef with the amendment.

The Chair (Mr. Michael Prue): If I could state, Mr. Leone, this amendment is amendable, because you can amend an amendment. And you can amend that to read, "The Chair stated: 'I would have to rule, in my opinion....'" if you want, so that it's clearer.

Mr. Rob Leone: I'm not moving that amendment.

The Chair (Mr. Michael Prue): Okay, well—

Mr. Rob Leone: I'm voting against this amendment.

The Chair (Mr. Michael Prue): All right. Okay, so, then Mr. Zimmer, I have you down next.

Mr. David Zimmer: In view of the hour—there's only a minute or—

The Chair (Mr. Michael Prue): I'd like you to use up every single minute, because we have 80 hours left to go.

Mr. David Zimmer: Well, let me just, for the record, draw attention to the amendment—the first paragraph—because I think it is quite clear, just addressing Mr. Leone's concern.

That the following paragraphs be added before the last paragraph:

"The minister's response was in accordance with a ruling of the Chair made on May 16, 2012, regarding the minister's ability to protect the interest of the province in these proceedings. The Chair ruled"—paraphrasing: The Chair, in effect, said—not in effect; the Chair said, to put it in layman's language: "Look, the members of the committee have the right to ask the minister for documentation and to answer questions and all of that sort of stuff." And that was entirely correct. Then the add-on, to complete the ruling, was, it then bounces back to the minister, and the minister has the right to decline to answer or decline to give the documents.

If this is going to work its way up to the Speaker, I think it's very important that the motion going forward clearly point out, as the opposition have in their main motion, that in their view, thus and thus happened and the minister refused to answer; but that in fairness—and it's a question of fundamental fairness—the motion fully reflect exactly what happened on May 16, and that is that the questions were put to the minister, the minister declined, then there was a kerfuffle and the Chair's ruling, getting right to the heart of this matter. And in my judgment, in my view, the ruling was entirely correct.

Look, the members, the MPPs of the committee, have the right to ask questions, have the right to demand production of documents, and the Chair of this committee or indeed other committee members ought not to interfere with that right.

Those questions were put to the minister and the minister, in accordance with the Chair's ruling that the minister had the right to decline to produce or answer questions, availed himself of that ruling; and, pursuant to the ruling, declined, for the reasons set out in his extensive letter of May 30, wherein, among other things, he gave a very detailed response and answer as to why he

was taking up the protection of the Chair's ruling that the minister had the right not to answer questions or produce documents if the minister said, in his judgment, it was prejudicial to Ontarians.

What's going on here, then—

The Chair (Mr. Michael Prue): If I could stop you at that juncture, I think it's past 6 o'clock—

Mr. David Zimmer: All right, I'll pick it up next time.

The Chair (Mr. Michael Prue): If you wish to continue on the next occasion?

Mr. David Zimmer: Yes.

The Chair (Mr. Michael Prue): All right. We will notate the amount of time used and the amount left.

Mr. David Zimmer: Thank you.

The Chair (Mr. Michael Prue): All right. It now being past 6 of the clock, this meeting is adjourned until tomorrow at approximately 3:45. Meeting adjourned.

Interjection.

The Chair (Mr. Michael Prue): I have to put the meeting back into order. I've given the wrong time. It will be the afternoon right after routine proceedings, so that would more than likely be 2-ish.

Don't we go to—is tomorrow different? It's Wednesday, yes. Yes. See? You got me all confused. Tomorrow's Wednesday, not Thursday; I was right the first time. It's 3:45. Okay.

The committee adjourned at 1802.

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Wednesday 13 June 2012



Journal des débats (Hansard)

Mercredi 13 juin 2012

Standing Committee on Estimates

Subcommittee report

Comité permanent des budgets des dépenses

Rapport du sous-comité

Chair: Michael Prue
Clerk: Valerie Quioc Lim

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 13 June 2012

Mercredi 13 juin 2012

The committee met at 1556 in room 151.

SUBCOMMITTEE REPORT

The Chair (Mr. Michael Prue): The meeting is resumed. Our first order of business is a report of the subcommittee relating to our summer meeting dates. Can I have someone read the report?

Mr. Michael Harris: I would like to read the report of the subcommittee.

Your subcommittee on committee business met on Tuesday, June 12, 2012, to consider the committee's summer meeting schedule and recommends the following:

(1) That, pursuant to the order of the House dated May 31, 2012, the committee meet on four days during the summer adjournment, on July 11, 19, 23 and 24, 2012, to continue its consideration of the 2012-2013 estimates;

(2) That the committee meet from 8 a.m. until 8 p.m. on each of the four days;

(3) That the clerk of the committee, in consultation with the Chair, be authorized prior to the passage of the report of the subcommittee to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

I move its adoption.

The Chair (Mr. Michael Prue): Any discussion? Ms. MacCharles.

Ms. Tracy MacCharles: Assuming I continue to sub on this, if that's the will of my group, I'm wondering if I could just get a handle on what 8 a.m. to 8 p.m. looks like. Was there any discussion about how the day is going to work, how we organize ourselves? I think it would be beneficial for those of us—

The Chair (Mr. Michael Prue): I was the Chair, although I did not take part in the discussion. The general discussion was—it was moved and all three parties voted for it—8 to 8. There was some discussion around 8 until 9 o'clock at night, with two half-hour breaks for lunch and dinner, but it was decided to work through lunch and dinner and leave at 8.

Ms. Tracy MacCharles: So no breaks? Is that what is before us?

The Chair (Mr. Michael Prue): No breaks.

Ms. Tracy MacCharles: I'm just a bit concerned.

Mr. Michael Harris: It had unanimous support by all.

Ms. Tracy MacCharles: There are zero breaks in a 12-hour day?

Mr. Rob Leone: When it's not your 20-minute rotation, you can use the bathroom if you wish.

Ms. Tracy MacCharles: Pardon?

Mr. Michael Harris: We get three 20-minute rotations, so in essence, you have the ability to slide out should you wish.

Interjections.

Mr. Michael Harris: Listen, the subcommittee met. You were represented by Mr. Leal, who agreed with all members of the subcommittee, and we moved that we sit 8 to 8 and that we work through breakfast, lunch and dinner.

Ms. Tracy MacCharles: Sorry, what did you say about breakfast, lunch and dinner? Food's important.

Mr. Michael Harris: We're going to continue the meeting from 8 a.m. to 8 p.m.

The Chair (Mr. Michael Prue): There won't be breakfast. Hopefully, you'll eat your breakfast before you arrive. But lunch and dinner will be provided and will be eaten in this room.

Ms. Tracy MacCharles: I see. Okay.

Mr. Rob Leone: So you have the choice of subbing out if you don't want to sub in.

Mr. Michael Harris: Yes, you can always get a sub and do six and six or three fours, whatever, right?

The Chair (Mr. Michael Prue): Okay. Mr. Zimmer, you have the floor.

Mr. David Zimmer: I want to speak to item number 2. The suggestion that the committee is going to meet from 8 to 8, 12 hours, and then I hear that there were discussions at the subcommittee that we were going to work through lunch and dinner and so forth. I want to put my objections on.

I've got no intention of voting, as a member of the committee, in favour of the subcommittee report on this, and I'll tell you why. I think now we're getting quite crazy about all this. I don't know whether Mr. Leal was there or not, but imagine coming here at 8 o'clock in the morning—you're probably going to have to come from out of town or wherever they're getting here—in the middle of the summer, and we're going to sit on this committee for 12 hours and work through lunch, and if you need some time off or something, you're going to have to arrange a subcommittee member—when the House is adjourned, trying to get people in here, it's a nightmare situation. It's going to be a day-mare situation.

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We have to be somewhat reasonable here. These are difficult matters, they're complicated matters. I challenge

anybody who says that they're going to be able to, in the ninth, in the 10th, in the 11th, the eighth, the seventh hour of the detailed work that we do here, considering matters and motions and technical rulings and all of that stuff—one's mind is just going to turn to putty at the end. About five or six hours, I figure, is the max that somebody's going to be able to pay any kind of meaningful attention to what's going on in the committee.

You know, you couldn't get away with a 12-hour workday anywhere in the province because it's against labour legislation. It's cruel and unusual punishment. If you said to anybody else, "We want you come and sit on your bum for 12 hours and pay close attention"—even examinations in high schools, in colleges, in universities and in professional degrees, they say that the max time that somebody can pay attention in a constructive, meaningful way is about—they cap it at six hours, with a two-hour break from 12 to 2.

Examinations start at 9; it's three hours of close attention. People get a two-hour break; they come back for another three hours in the afternoon of close attention for a total of six. Everybody who comes out of one of those things is just mentally wiped and exhausted.

I would dare say that when we get to our seventh, eighth, ninth, 10th, people are just not going to be able to pay attention in a way that's incumbent upon members of the Legislature to pay attention to the work that's going on in this committee. It's farcical.

I don't know who was sitting on the subcommittee. I gather one of our members was—

Ms. Tracy MacCharles: Jeff Leal.

Mr. David Zimmer: Jeff Leal. I don't know what kind of work arrangements he makes for himself in Peterborough. Who else was on the subcommittee here, on the other side?

Mr. Michael Harris: I was.

The Chair (Mr. Michael Prue): And Mr. Natyshak was there for the NDP. Those were the three subcommittee members.

Mr. David Zimmer: And is he a permanent member of the committee or was he subbed on to the subcommittee?

Interjection: He's co-Chair.

The Chair (Mr. Michael Prue): He's a permanent member. He is the co-Chair—

Interjection.

The Chair (Mr. Michael Prue): Vice-Chair, sorry.

Mr. David Zimmer: Okay. I have no idea what the opposition members or my own member on that subcommittee were doing when they spoke unanimously in favour of a 12-hour sitting.

Mr. Michael Harris: Are you suggesting that your workday is only five to six hours?

Mr. David Zimmer: I am suggesting that—

The Chair (Mr. Michael Prue): He has the floor, he has the floor.

Mr. David Zimmer: I have done court cases. I've done trials that lasted 67 days with 900 exhibits and the most that the judge and the presiding lawyers, paying

close attention to what was going on—we'd do, at maximum, a five-hour day, and that was with an hour and a half or so for lunch to clear our minds.

If you think that any of us—and I'm not being selfish about this, because I'm putting myself in your mind. Put yourself in the mind of the Chair of the committee. The rest of us, hopefully—you know, we could, if we get stuck with this 12-hour thing, arrange some subs or we can leave the committee a bit and go down the hall. But the poor Chair is going to be stuck there for 12 hours.

I can sort of fade out when there's something that I don't think I have to pay attention to, but the Chair of these committees—whether it's this committee or any other committee—has to pay attention to every word and everything that everybody says because he's got to keep a grip on things, he's got to make the right rulings, he's got to follow the bouncing ball all the time, not—

Mr. Rob Leone: Chair?

The Chair (Mr. Michael Prue): Do you have a point of order?

Interjection.

The Chair (Mr. Michael Prue): That's the only way I can interrupt him. You just can't—

Mr. Rob Leone: I'll let him continue to speak if it's not for too much longer.

The Chair (Mr. Michael Prue): Okay, but, please, just don't say "Chair"—

Mr. Rob Leone: I just wanted to get your attention for next.

The Chair (Mr. Michael Prue): Oh, you want to be on the list? Okay. Thank you.

Go ahead.

Mr. David Zimmer: Now we have eight members of the committee, and we're all, by the sixth hour or the seventh hour, just exhausted. Think of Madam Clerk, who is going to have to sit here for 12 hours. She can't go out and get another clerk to come in and substitute for her. She's got to follow the bouncing ball. Think of Hansard, who is going to have to sit here for the 12 hours. Think of the legislative research who have to sit here for 12 hours. That is just obscene, I think, to expect members and the support staff to sit here for 12 hours. But I am particularly concerned about the Chair, whether it's at this committee or any other committee, if they tried to sit for 12 hours.

As I've said, it's hard on us as individual members, but I can speak for a while and I can pass the ball to my colleague Tracy MacCharles. When she's tired, she can pass the ball to Vic Dhillon. Vic, when he's tired, can pass it to Grant, and back and forth we go. I expect members of the opposition would do the same. The NDP has only got one member—sometimes they'll have two members here, so they can pass the ball back and forth among two. But the poor Chair is locked into this thing for 12 hours, and although I know that Mr. Prue is highly experienced, highly capable—I give him accolades for the way he has been running this committee—to expect the Chair to sit there for 12 hours—

Ms. Tracy MacCharles: Four days in a row?

Mr. David Zimmer:—four days in a row, glued to that chair—

Interjection: It's not four days in a row.

Mr. David Zimmer: I'm sorry—sit there for 12 hours in a day and then whatever other days. But to sit there for a 12-hour stretch and follow, in detail, the bouncing ball is not fair to the Chair. It's going to give rise to mental exhaustion and the possibility of just fatigue that will lead to—the potential just to lead to errors because of sheer exhaustion.

I think that the members of the subcommittee did a great disservice to the work they were trying to do. Even if they had said that we're going to sit six or seven hours, that's doable. Six or seven hours is a long, long day. Imagine you get to the end of the sixth hour or the end of the seventh hour and you look at the clock, and you realize that you got another five hours to go. This is just not appropriate.

I expect that my colleagues are going to want to speak to the issue.

The Chair (Mr. Michael Prue): I have a list.

Mr. David Zimmer: So, anyway, I'll hear what my colleagues have to say. I'm going to propose an amendment to the subcommittee report, but I want to hear what my colleagues have to say, because maybe I'm the only one that's fearful—and I'm not a lazy person; I may crack a lot of jokes and appear to be a bit cavalier, but I am prepared to work. But I am not prepared to work 12 hours a day, two days back to back.

The Chair (Mr. Michael Prue): I have Mr. Leone next, and then Mr. Dhillon.

Mr. Rob Leone: Mr. Chair, I was just going to call the question on this motion of adopting the subcommittee report. I don't think anything of this discussion is going to result in any weight at the end of a vote. I think we just might as well get to that vote now.

The Chair (Mr. Michael Prue): Well, the Chair has prerogative here, and I'm not going to exercise it at this point. We do have at least one other speaker. This is an amendable motion. I would ask not to make rambling speeches on whether you think—you've heard Mr. Zimmer and he has made his speech on why he thinks 12 hours is too much. This is an amendable motion. If you don't like what it is, please move an amendment. We can talk to the amendment, because this is what the subcommittee unanimously came up with.

I have Mr. Dhillon next.

Mr. Vic Dhillon: Chair, thank you very much. I think it's really important that we do have a discussion on the length of time that we have to sit because, as Mr. Zimmer has mentioned, we can sort of tune out for whatever time that we're not speaking, but you yourself, the research staff, the clerk and especially Hansard—12 hours in a row. We're going to be eating here, having our lunch and dinner. I'm really worried about potential errors etc. that can occur because of the lengthy time that we're being asked to sit. This is very worrisome because we're here to do the work for the taxpayers of Ontario. It's very important work.

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Sitting in a very important committee, discussing something of great importance, I think there are better ways that we can do this, and it's important that we all have a voice with respect to this. There are all kinds of things that can come up during the day. All sides have very busy schedules. The minister obviously is doing a very important job, and I think that requiring us to sit 12 hours straight is not the best way of carrying on in this committee.

The Chair (Mr. Michael Prue): Ms. MacCharles, then Mr. Crack.

Ms. Tracy MacCharles: It's good to hear the discussion because I'm like a lot of people; I put in lots of long days. That's not what the issue is here.

Mr. Vic Dhillon: We all do.

Ms. Tracy MacCharles: We all do, as Mr. Dhillon says. On a practical matter, I can tell you that I need to elevate my leg for one hour a day minimum, post surgery, so I have accommodation issues, I would put forth. As hard as I work, I've got to put my health first, and I hope everybody else does that, too.

It is a long time to sit on one topic, and I'm concerned too about the mental fatigue. I think it's not realistic. Booking a 12-hour day on one event without being able to be anywhere else, for all intents and purposes, is not realistic. Sitting is not great for anybody, especially for these kinds of hours. I would be open, and I think my colleague may be coming up with a proposed amendment so that we could have something that's a little more doable, a little more respectful of everybody's physical and mental health.

We all want to do a good job. I think we're all committed to doing a good job. But it sounds like what I'm learning as a new member too, that when the House is not sitting, there may be more challenges to accessing the resources that are normally available to anybody, to any member and to any party. That could be concerning because I know I rely very heavily not just on my own staff but my caucus staff who help me manage my day.

As I said, I require one hour of time where my leg has to be elevated above my heart, and I'm saying that with all sincerity. That's doctor's orders. On a personal level, I have that issue and I just want to put that out there.

Having said that, I'm enjoying this committee. It's important work. I hope I can continue. I also don't live too far from Toronto, so I want to help my other colleagues who live further away where greater taxpayer expense would be incurred for them to come and sub in. I can get here, if there's not a lot of traffic, in pretty short order, so there's that cost side. There's also the benefit of those of us who are subbing, if possible, to continue. I think that's just more efficient for everybody. It's less draining and taxing on everybody.

So, Chair, those are some of my thoughts. We have two days back to back here, which I think is very unrealistic. I think even the other days at 12 hours straight are pretty long too. So I'm looking forward to hearing a bit about a potential amendment to this report.

The Chair (Mr. Michael Prue): Mr. Crack.

Mr. Grant Crack: I just want to indicate that I do respect the good, hard work of the subcommittee; however, I think that the length of time for a meeting is a bit long. I'm sure that the honourable member from Nipissing certainly wouldn't be in favour of sitting 12-hour days.

I'd also like to echo the words of my colleague Mr. Zimmer concerning the Chair. I know what it's like to chair a meeting for a number of hours during the course of a day and evening, and it's trying. As Mr. Zimmer said, the Chair has to be on top of things on a regular basis, which he's done a great job of as well, and ensure that process and procedure are followed properly.

I also just want to echo: not only the staff in the clerk's office and Hansard, but our own support staff that would be required to be here not only the 12 hours. There is the preparation to get here and the preparation to get home. There's also the preparation work after, to be prepared for the next meeting. So that's a concern to me.

Another concern is a safety concern. Ms. MacCharles has indicated some of her concerns with her leg and having to travel probably an hour or so—get up, travel and then go home at night. You know, she's looking at 16-hour days. I think that's quite unreasonable.

My colleague Mr. Zimmer, also—during casual conversations—has indicated that he has a glaucoma issue, and he requires some time off just to rest his eyes and rest his vision. I think that that's reasonable as well, because Mr. Zimmer is a real asset to this committee; he brings a great perspective to the committee that I think we all enjoy and respect.

For myself, I think 12 hours—I don't build golf courses anymore. I'm not used to 12-, 14- or 18-hour days, but at least you're up and about and more productive physically than just sitting for that length of time. I would hope that, as discussions continue, we would consider something like a normal day that the House meets. Maybe from 9 to 6 would be more reasonable. Because as I said, Mr. Chair, I'm concerned about the support staff and the prep time that they are going to require to meet the demands of the committee.

So having said that, I would just thank you for the time.

The Chair (Mr. Michael Prue): Before I recognize Mr. Dhillon, I mean, this is—everybody has said they don't like it. If you don't like it, you're parliamentarians: You can move an amendment. I don't want to hear any more—I'm not going to entertain any more debate that you don't like it. If you want to change it, make a motion.

I have Mr. Dhillon first. Do you have an amendment?

Mr. Vic Dhillon: I just want to make one more comment that I think maybe Mr. Crack is not aware of. I've had the good fortune of serving with Mr. Zimmer since 2003, and naturally, our newer colleagues probably don't know about the condition that Mr. Zimmer has. Obviously, because of the time that we've served together, I've had more time to spend with him. I personally witnessed as late as today where I had to give Mr. Zimmer a hand because he was in a bit of disarray.

These are real issues, and I don't think we should be discounting them. Obviously, we can visibly see that Ms. MacCharles has a leg injury and just saw how slowly she has to—or can—walk. The requirement for her to do whatever she has to in order to nurse her injury is very, very important. Having to sit 12 hours is very taxing on, again, you and all the staff and, more importantly, people who need to worry more about their physical impairments than most of us who are okay. I don't think we can let that go in our considerations.

So for that reason, I feel that all of us should really consider maybe rethinking the lengthy schedule that we have in front of us in deliberating in this committee.

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The Chair (Mr. Michael Prue): I saw Mr. Harris first, and then Mr. Zimmer.

Mr. Michael Harris: I know that Mr. Crack, for the record, stated that the member for Nipissing would likely not approve of sitting 12 hours. In fact, I just spoke with the member and he approves sitting for the 12-hour sessions. Thank you.

The Chair (Mr. Michael Prue): Mr. Zimmer—and I hope this is an amendment, because this is going nowhere.

Mr. David Zimmer: Yes, this is the amendment.

The Chair (Mr. Michael Prue): Okay.

Mr. David Zimmer: I'd like to propose an amendment to the subcommittee report.

The Chair (Mr. Michael Prue): Thank you.

Mr. David Zimmer: And if I could, my amendment would change paragraph 2 to read as follows—my amendment:

"That the committee meet from 8:30 a.m. until 4:30 p.m."—I'm sorry. Let me just redo that.

"That the committee meet from 8:30 a.m. to 12 noon and from 1 p.m. to 4:30 p.m. on each of the four days, thus allowing for seven hours of actual hearing time per day."

Did you get that last part?

The Chair (Mr. Michael Prue): I got it. It's 8:30 till 12, 1 o'clock till 4:30, thus allowing for seven hours per day.

Mr. David Zimmer: "... seven hours of actual hearing time per day."

The Chair (Mr. Michael Prue): Yes.

Mr. David Zimmer:—"thus allowing for seven hours of actual hearing time per day."

I'll just speak to it. I mean, I've said everything in my earlier remarks. I would urge the committee to consider it. I did not want to—I mean, my colleagues made reference to an issue that I have, and long, long hours of reading exacerbates a glaucoma condition that I have.

The Chair (Mr. Michael Prue): Okay. Any discussion on the amendment? Mr. Crack.

Mr. Grant Crack: Thank you, Mr. Chair. This is kind of catching me off guard, so I would ask for a 20-minute recess so that we can discuss this.

The Chair (Mr. Michael Prue): I don't know if there's any other discussion yet. We're not to the voting

stage, but I will recognize you when we get there because I know that you love to make that request.

Any discussion on this? Seeing no discussion, Mr. Crack.

Mr. Grant Crack: Thank you, Mr. Chair. I'm just requesting a 20-minute recess. As I had indicated, it kind of caught me off guard and I'd like to think this thing through.

The Chair (Mr. Michael Prue): Okay. He is in order to ask for it. We have a 20-minute recess.

The committee recessed from 1623 to 1643.

The Chair (Mr. Michael Prue): Meeting is resumed. We are now going to vote on the amendment made by Mr. Zimmer, and that is—just to refresh everybody's mind, his motion was to the effect that we meet from 8:30 until 12 and from 1 o'clock until 4:30 p.m. in order to accomplish seven hours of actual sitting and hearing time. In a nutshell, that was it. Everybody aware that's the motion?

All those in favour of the motion of Mr. Zimmer? All those opposed? What I thought was going to happen again.

Mr. Rob Leone: Could we have a recorded vote, sir?

The Chair (Mr. Michael Prue): You have to ask for a recorded vote before it's taken.

Mr. Rob Leone: I missed that.

The Chair (Mr. Michael Prue): All right. The vote was tied, and again, I have to vote. Again, I was present, although I was not a voting member, at the subcommittee, and the subcommittee was unanimous in all aspects. They argued over the dates, they argued over the times, they argued over whether 12 hours, and they also talked about whether to extend it an additional hour, whether or not to bring in lunch and dinner or whether to break for lunch and dinner. The unanimous vote of all members and all parties was to do that. So I feel compelled, on a tie vote, to vote with the subcommittee and against the motion of Mr. Zimmer.

I also feel compelled, by the way—

Mr. Vic Dhillon: Chair, how about compassionate?

The Chair (Mr. Michael Prue): I am compassionate, but I also recognized that over the summer, almost literally everyone, including me, was likely to be subbed at some point or for some day.

Mr. Vic Dhillon: Not on our side.

The Chair (Mr. Michael Prue): Well—so that's what I have to do. Any other discussion on the motion?

Interjection.

The Chair (Mr. Michael Prue): Ms. MacCharles had her hand up first.

Ms. Tracy MacCharles: I'm prepared to amend the amendment; I don't know if that's proper now.

The Chair (Mr. Michael Prue): No, but you can make a new amendment, because there's nothing before us now.

Ms. Tracy MacCharles: Okay, I'm prepared to make a new amendment in the interest of accommodation, respect, compassion and—

Mr. Vic Dhillon: It's my birthday.

Ms. Tracy MacCharles: —it's Vic's birthday, but that's not the main argument, of course.

Mr. David Zimmer: You have to read the amendment in.

Ms. Tracy MacCharles: Shall I do that now, Chair?

The Chair (Mr. Michael Prue): You have to read the amendment for us to have an amendment.

Ms. Tracy MacCharles: I am proposing an amendment to number 2 of the subcommittee report:

"That the committee meet from 8:30 a.m. to 12 noon and from 1 p.m. to 5 p.m. on each of the same days as outlined in section 1, which is July 11, 19, 23 and 24, 2012."

The Chair (Mr. Michael Prue): It is slightly different from the last one. Any discussion? Mr. Zimmer.

Mr. David Zimmer: I just want to go on record as saying that all of the arguments I made on the previous amendment I would ask all members of committee to take into account on this amendment, which now extends the hearing to a total of eight hearing hours per day. It was seven and a half before. Now we have an eight-hour day, which is the—

Mr. Rick Nicholls: Seven and a half hours.

Mr. David Zimmer: I'm sorry, seven and a half hours, which in Ontario working culture is the typical working day. In fact, we're working more than eight hours a day in most cases—in many cases—contrary to various aspects of the labour code.

The Chair (Mr. Michael Prue): Any other discussion? Seeing none, we have a motion before us.

Mr. Vic Dhillon: Chair?

The Chair (Mr. Michael Prue): Yes, Mr. Dhillon?

Mr. Vic Dhillon: Can we have a 20-minute recess?

The Chair (Mr. Michael Prue): Yes you can, but I want to say, you know, this is to establish the dates that the House has ordered us to establish. We have to report back what we have done. I want to make sure that we finish this, please, before 6 o'clock. Otherwise, we have no dates and we will not be in compliance with what we've been told to do. So, you have 20 minutes. We're recessed for 20 minutes.

The committee recessed from 1648 to 1709.

The Chair (Mr. Michael Prue): Meeting resumed. We are now at the point of voting on the motion of Ms. MacCharles—

Mr. Rob Leone: Could I have a recorded vote, please?

The Chair (Mr. Michael Prue): Yes, a request for a recorded vote.

Ms. MacCharles has moved that we have a day be 8:30 to 12 and 1 o'clock until 5, for a total of seven and a half hours a day.

Ayes

Crack, MacCharles, Zimmer.

Nays

Harris, Leone, Nicholls, Tabuns.

The Chair (Mr. Michael Prue): That motion fails.

We now have a—

Mr. Grant Crack: Can I make another amendment, Mr. Chair?

The Chair (Mr. Michael Prue): Yes, you may.

Interjections.

The Chair (Mr. Michael Prue): Yes, and that was a little more than six.

Sorry, Okay, Mr. Crack.

Mr. Grant Crack: Thank you, Mr. Chair. I'd just like to also amend number 2 in the report from the subcommittee to read, "The committee would meet from 8 a.m. to 12 with a one-hour break and reconvene from 1 to 5 p.m." This adds another half an hour, so we're up to eight, and I think that's more than reasonable.

The Chair (Mr. Michael Prue): Okay, we have a motion by Mr. Crack. Any discussion? Mr. Zimmer?

Mr. David Zimmer: Just for the purpose of the record, I want to repeat all of the arguments that I made on the previous two amendments about why we should have a more reasonable time for sitting. It strikes me that the seven and a half hours is getting pretty close to the limit at which any of us should be expected to work, which is eight hours. While I don't want to presume what my colleagues might think, I'm assuming that they agree with my comments, but I'll let them make their own.

The Chair (Mr. Michael Prue): Ms. MacCharles?

Ms. Tracy MacCharles: Chair, I request a 20-minute recess. I need to talk to my doctor. I need to talk to my colleagues and figure out what the heck I am going to do in this, since I have not been accommodated in this process.

The Chair (Mr. Michael Prue): All right, we have a request for a 20-minute recess. That is in order at all times, so we will break again until approximately 5:31, and please, everybody, be back at that time. We hopefully have to resolve this before 6 o'clock.

The committee recessed from 1712 to 1732.

The Chair (Mr. Michael Prue): Okay, the meeting is called back to order. The meeting was recessed at the request of Mr. Dhillon for a 20-minute recess. We've now had that. We'll go straight to the vote. The vote was made by Mr. Crack, I believe—yes—and it was for the committee to meet from 8 until 12 and from 1 till 5 on each of the days that have been set out.

Mr. Rob Leone: Mr. Chair, could we have a recorded vote?

The Chair (Mr. Michael Prue): A recorded vote has been requested.

Ayes

Crack, Dhillon, MacCharles, Zimmer.

Nays

Harris, Leone, Nicholls, Tabuns.

The Chair (Mr. Michael Prue): Again, I have to break the vote. As I said the last time, this was the unanimous decision of all three parties who sat in subcommittee. I am also mindful that the remaining time to the committee, if we do not have summer hearings as set out, will be only 38.5 hours. We have another 80 hours to go. We have spent weeks and weeks doing 10 hours only of estimates, and we are now down to the point that if we don't do these four 12-hour days or four 11-hour days at least, we cannot accomplish what the committee is mandated to do. Therefore, reluctantly, I have to vote against this motion as well. It simply does not give enough time. It limits us to more than 10 hours under what we have to accomplish by November.

Mr. Leone, further debate.

Mr. David Zimmer: I want to propose an amendment.

The Chair (Mr. Michael Prue): Mr. Leone was recognized first.

Mr. Rob Leone: Thank you, Mr. Chair. Given the fact that these amendments are pretty similar in nature, I will now call for the question to be put on the motion to adopt the subcommittee's report. The subcommittee met and certainly came to an agreement by all parties; we're just wasting time here. We could further go down this road of wrangling over half-hour increments here or we could just call the original question. I think we need to call that question now and move on with it, as it is approaching 6 o'clock and we will not have enough time to get the subcommittee report approved.

Interjections.

The Chair (Mr. Michael Prue): One minute. He has made a request that we stop debate. The Chair is going to have to rule whether sufficient debate has taken place.

Mr. David Zimmer: Well, all right, but with respect, before you make that ruling, Chair, I do say that this time, I'm proposing an amendment so that it will deal with an accommodation issue that Ms. MacCharles has. I'm going to speak briefly to it because I have the direction here from the Speaker of the Legislative Assembly in which he deals—three short paragraphs that deal with the accommodation issues for various people, including members of the provincial Parliament. This is not a trivial issue.

Ms. MacCharles suffered a bone cancer 10 years ago; she almost lost her leg. There was a recurrence and a problem this past fall; as you know, she was away. She came as close as you can to losing the leg without actually losing it, and it's compounded on top of that because she also has breast cancer. And I do want to raise this accommodation. I want to propose an amendment that will accommodate. I want you to know that that's the intention here.

Interjection.

The Chair (Mr. Michael Prue): Well, no, I'm thinking about the ruling and I'm thinking about what the honourable member is trying to do.

I am mindful that, should I agree with you and somebody asks for a 20-minute recess, this committee will not

be able to do what it has to do before 6 o'clock. I am almost persuaded to listen to Mr. Leone. If you're going to move this, can you move your motion and explain it in less than a couple of minutes and everybody here say they won't ask for a 20-minute recess? Because otherwise I'm going to say no, because we have until 6 o'clock to set out the timelines. By those timelines, we have to meet 80 hours between now and the end of November. All that is happening here is the wastage of time to the point that this committee cannot do what it is required, under the same statute you're going to read from.

Mr. David Zimmer: There will not be a call for a 20-minute break. I will speak briefly to it.

The Chair (Mr. Michael Prue): Just in a minute or two.

Mr. David Zimmer: Two minutes, three minutes—and I think Ms. MacCharles will want to just confirm what I've said in terms of—

Interjection.

The Chair (Mr. Michael Prue): All right. I'm going to say no at this point, with the greatest of respect. I'm very much to the point of agreeing with you on sufficient debate, but I'm going to allow one further one on the condition that they have said that there will not be a 20-minute recess call.

Mr. Rob Leone: So long as I will have the floor as soon as this is dealt with.

The Chair (Mr. Michael Prue): I will recognize you after. I will hear from Mr. Zimmer and then from Ms. MacCharles as requested, but then the floor will be given to Mr. Leone.

Mr. Zimmer.

Mr. David Zimmer: Fair enough. Okay, so my amendment is again on paragraph 2: that the committee meet from 8 to 12:30 and from 1 to 5, so we reduce the lunch hour to a half an hour. The reason for that is—members may or may not be aware—that Ms. MacCharles suffered a very severe bone cancer in her leg about 10 years ago and came as close as you can possibly come to losing the leg without actually losing it, after lengthy surgeries and so forth and so on. She recovered; they saved the leg. There was a problem with the surgery nine years later, this past fall, and again she was in the hospital and came as close as one can possibly come to losing the leg.

The Chair (Mr. Michael Prue): You'll have to move the motion first. Can you move the motion?

Mr. David Zimmer: Oh, I'm sorry. I thought I did.

The Chair (Mr. Michael Prue): Okay, that's the motion: 8 to 12:30, 1 to 5.

Mr. David Zimmer: Yes.

The Chair (Mr. Michael Prue): Okay. All right.

Mr. David Zimmer: So maybe I'll just pick up where I left off. She did that in the context of also dealing with a breast cancer issue. When she came back, the Legislature accommodated her. They put in ramps so she could get access to the chamber; they moved her to a—which is unusual for a new member—front seat so she didn't have

to go up the steps; they put a ramp into that; in the east lobby, they put ramps in; and they did various other things. They granted her the right to not have to stand to vote; she could vote by hand from her seat—

Ms. Tracy MacCharles: Wheelchair.

Mr. David Zimmer:—and from her wheelchair. That was all following the Legislative Assembly of Ontario's 2012-13 accessibility plan, and it's quite a lengthy document—but just three short paragraphs. I'm quoting from the Speaker: "At the assembly we continue to build on the success of our previous plans and are continuing to look for ways to better meet the needs of people with disabilities who come into contact with the assembly, regardless of whether they are staff, members of the general public or members of the provincial Parliament."

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It goes on to say, "The Office of the Assembly is committed to providing barrier-free access for persons with disabilities. These policies are meant to help you to use our programs, goods and services and to understand"—they're working to help members in executing their duties.

"We"—and this is important—"will do our best to ensure that our policies, practices and procedures are consistent with the core principles of independence, dignity, integration and equality and opportunity."

Surely, a 12-hour sitting, that will prevent Ms. MacCharles from carrying out her duties, whether she's subbed in to the committee or whether she's a permanent member of the committee—she should be granted a reasonable accommodation. An eight-hour workday for this committee is a reasonable accommodation. Thank you, Chair.

The Chair (Mr. Michael Prue): Ms. MacCharles.

Ms. Tracy MacCharles: Thank you, Chair. I'm sorry that we have to get into my personal medical history here, but as well as the Accessibility for Ontarians with Disabilities Act, we have the Human Rights Code. I think that when you talk to anyone who has an impairment—and let's face it, it can happen to any of us at any time, permanently or temporarily—reasonable people, I think, can come to reasonable solutions.

I understand that there was an agreement on these hours, but I think this is going to have a negative impact on many of us. I know how it's going to impact me. Quite frankly, those are long days, 12-hour days. I do agree with something Mr. Dhillon said earlier, that it behooves us to rethink this.

The Legislature is supposed to be a leader when it comes to legislation, and the AODA legislation speaks to that. And then Mr. Zimmer just read out what the commitment is from the Speaker of our Legislature. I have been accommodated in the past, and the Human Rights Code, quite frankly, requires accommodation up to the point of undue hardship. I think the motions before us provide reasonable hours to conduct this important work.

I am a former chair of the minister's advisory council on the AODA legislation, and I can tell you that more is coming. Only one part of that legislation has been

passed: the customer service standard. There's more to come, and this Legislature will be required to not only follow the legislation but to be a leader. We can't ask the private sector or the broader public sector to do their bit around accessibility, and we can't ask the private sector and the broader public sector to uphold their obligations under this legislation and the Human Rights Code, if we fail, as legislators, to do the same thing.

I think every member of this committee is a hard-working committee member, and I include myself in that, but 12-hour days are not realistic. I require certain accommodation, so I want that to go on record. As Mr. Zimmer says, whether I am a regular member or a subbing member, I am here as a voting member, and I believe I have a right to be accommodated, both in terms of legislation and the Human Rights Code.

But in the spirit and principle of working together as reasonable people—that we conduct our work in a reasonable way, and as colleagues—I think our amendment for more reasonable hours is appropriate. I don't really understand why my colleagues fail to see that these hours, upon reflection, are going to have negative impacts. Some negative impacts will be greater for people like me, I presume.

If you want to see what I'm going to have to do to be able to be accommodated in this committee, then—I'm just putting the committee on notice that I will do what I need to do to put my health first. I am a member of this Legislature. I have been accommodated in the past, and I very much appreciate that. I'm asking my colleagues to consider doing the same here.

We have some work ahead of us that we need to get through. I'm very committed to making that happen.

We've got two days from the original subcommittee report that are back-to-back, 12-hour days, and I think if a person comes before you and asks for an accommodation, it behooves the committee to seriously consider it. As I said, other standards are coming out. Quite frankly, the Legislature is going to have to get used to this. I think as the Legislature evolves, we'll see more and more people more reflective of the diversity of our province.

I understand that the Legislature has provided other accommodations before, but this is I think fairly new in accommodating a person with a permanent disability. I just want to correct the record. My learned colleague said I've been struggling with my challenges for 10 years, but it was actually 31 years ago that I was diagnosed with bone cancer. I had limb-saving surgery, and I had it again in December. Thank goodness I did. I'm not going to put my health in jeopardy, and I am not going to back down from this committee as long as I'm asked to be a full participating and voting member of this committee.

I'm asking reasonable persons to work together to come up with reasonable solutions. I just feel very strongly about this, Chair. This kind of thing is not going to go away. I am a new member—I'll follow the rules, of course; I'm respectful of the rules—but I'm also here to change things, Chair. I'm asking my colleagues, all of my colleagues, from all parties, to hear what I'm saying. I

think sometimes people confuse me—and I understand it, because I do work hard. I'm very committed to the work I do, but I have to put my health first, and I'll continue to do that. If I have to fight for my right under this, I will.

I think that's all I can really say, Chair. I can't say it strongly enough. The Legislature ain't seen nothing yet. There's more to come. I appreciate the work and the accommodation of me so far, but by the grace of God, there goes everyone else. Anything can happen to anybody.

We have human rights legislation already, and this AODA legislation is just going to keep coming and it's going to get stronger. I think the government has to continue to be a role model. If the government isn't a role model, we certainly can't expect other sectors to implement these various standards, which are good. And by the way, implementing new and modern accessibility standards is good for everyone. We have an aging population. We have people with many temporary and permanent disabilities. That's not going to go away.

This is good for everyone, and, by the way, it's good for business, it's good for the economy, it's good for people's health. We want to level the playing field, not unlike the legislation brought in in the States. We're leading on this legislation, provincially, and I just think it's unfortunate if right here, in our own Legislature, we can't take that into consideration, and we won't be leading; we'll be following. I will be extremely disappointed if I, for some reason, cannot be accommodated and am forced to make some other choices.

I think working a reasonable amount of hours on this every day is a reasonable thing to do, and that's the kind of support I'm looking for from my colleagues. You won't find anyone more committed than I am—we're all very committed. I'm willing to do what I need to do as a member of the committee, but having breaks and having an opportunity to move out of the room, having an opportunity to tend to one's own personal affairs, briefly at least, in the course of a day—we've introduced a number of amendments to the subcommittee report that I think are reasonable. I'm looking for members opposite to not just accommodate me but to be reasonable people here. I think it's something that needs to be done for all of us.

Thank you for your time, Chair.

The Chair (Mr. Michael Prue): Mr. Leone.

Mr. Rob Leone: Mr. Chair, I am very sympathetic to the comments that were made by Mr. Zimmer and Ms. MacCharles.

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I do want to state a few points that I think would provide some clarity for the decision. These comments and concerns, if there were any, should have been made at subcommittee, with all three representatives present. These comments, these concerns, were not made at subcommittee. The Liberal member of that subcommittee did not raise these concerns, and now they're asking you to be put in a very difficult position on voting on this issue.

In addition, Mr. Chair, I would also state that it's the House leaders who gave us four days to sit in this com-

mittee during the summer—just four days. As you know, we have to get through all the estimates of all the ministries that we have called. If we do not go through with the time that the subcommittee has proposed for us, we're going to at least not be able to get to the Attorney General and the environment, which were ministries that this committee once again decided.

With the greatest of respect to the issue, if these were concerns, this is the very first time we've heard those concerns. I think that in light of that, we should go along with what the subcommittee has unanimously proposed and offered us. I think that they are putting you in a very difficult position here, understandably, but this is what the subcommittee has decided, and none of these concerns were raised at that point in time.

Those are the comments I will make, and I would once again suggest that we call the question on the original motion.

The Chair (Mr. Michael Prue): You can't call the question after you've spoken to it.

Mr. Rob Leone: I realize that.

The Chair (Mr. Michael Prue): Okay. Mr. Crack.

Mr. Grant Crack: I just wanted to—

The Chair (Mr. Michael Prue): Please, we've only got four minutes. We have to decide.

Mr. Grant Crack: Okay.

I'd just like to indicate my respect for the subcommittee report and Mr. Harris, Mr. Natyshak and Mr. Leal. I take issue with, perhaps, some of the comments from my colleague Mr. Leone, that it wasn't discussed at the subcommittee level. I think perhaps it could be an oversight. I think there have been negotiations back and forth.

This is a very important issue that has been raised. I believe it's a human rights issue. I also believe it's a constitutional issue. As elected members of this Legislative Assembly, we're employees, basically, of the province of Ontario. We sit in the House and do our work according to appropriate legislation. I guess my question and my comments would be, what are the rights of parliamentarians and members of this committee when, in fact, a subcommittee can force members of the committee to work 12 hours? I just think it's unreasonable.

I just wanted to make those comments and put them on the record.

The Chair (Mr. Michael Prue): Thank you. I'm going to call the vote at this point. The motion has been made that we sit an eight-and-a-half-hour day from 8 until 12:30 and from 1 to 5.

Mr. Rob Leone: Recorded vote.

Ayes

Crack, Dhillon, MacCharles, Zimmer.

Nays

Harris, Leone, Nicholls, Tabuns.

The Chair (Mr. Michael Prue): Again, I have the deciding vote.

This has been probably one of the worst Chair experiences I have ever had of any committee in all my political life—and in all my union life before that and in all my university life, when I was on the student society and had to interpret rules of order.

I am going to vote with the motion, and I'll tell you why. First of all, Ms. MacCharles made a compelling argument, but second of all, I understand that if I don't, we won't have any summer hearings and we will be hauled back. We will be hauled back because we could not even come to a simple, rational decision on when we're holding, what days and for how long we're doing it. So I'm going to vote with the motion that we have those days.

I am fully cognizant that if we use every single hour, and there are no more procedural delays, then we will not hear from the Ministry of the Environment. I'm sorry, but we cannot. We cannot because, in my view, so much time has been wasted at this committee up until this point that it is beyond belief. I can only hope that when we come back for those days in July, we use all of our time wisely and we can go back to the House and say, "We got them all in but one." So I'm going to vote with the amendment.

I'm going to ask now if we can deal with the main motion before it's 6 o'clock. The main motion will be four eight-and-a-half-hour days in the days that are set out. Is there any other discussion? And please make it brief.

Mr. David Zimmer: Chair, I do want to get to the vote, but could we have a three-minute recess? We'll vote before 6, but I need just two or three minutes—

The Chair (Mr. Michael Prue): Well, are there any speakers, first of all? Because before the vote, you can have it.

Mr. David Zimmer: No speakers here.

The Chair (Mr. Michael Prue): Okay, there is a request for a three-minute recess. Try to make it two and a half.

Mr. David Zimmer: I won't even go out of the room. I'll just—

The Chair (Mr. Michael Prue): All right.

The committee recessed from 1755 to 1758.

The Chair (Mr. Michael Prue): Okay, the three minutes is up. I'd ask the members to please take their seats.

We now have the main motion, as amended—

Mr. David Zimmer: Chair, could you just read it out, the main motion, as amended, just so we're clear?

The Chair (Mr. Michael Prue): Yes. The main motion, as amended, will now read:

"(1) That, pursuant to the order of the House dated May 31, 2012, the committee meet on four days during the summer adjournment, on July 11, 19, 23 and 24, 2012, to continue its consideration of the 2012-13 estimates.

"(2) That the committee meet from 8 a.m. until 12:30 p.m. and from 1 p.m. until 5 p.m. on each of the four days.

"(3) That the clerk of the committee, in consultation with the Chair, be authorized prior to the passage of the report of the subcommittee to commence making any

preliminary arrangements necessary to facilitate the committee's proceedings."

All those in favour of the motion, as amended, please signify. Opposed? That's carried unanimously.

I would ask the clerk, since we have to break in about one minute, to ensure that on the next occasion, although there are still some outstanding motions before us to have

the ministry staff from the ministry here and the minister himself, because as soon as we finish with those motions we need to immediately launch right into the continuation and completion of the ministry.

Any other business today? Seeing no other business, meeting adjourned.

The committee adjourned at 1800.

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Journal des débats (Hansard)

Mercredi 11 juillet 2012

Standing Committee on Estimates

Ministry of Energy

Comité permanent des budgets des dépenses

Ministère de l'Énergie



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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 11 July 2012

Mercredi 11 juillet 2012

The committee met at 0802 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Michael Prue): Good morning, and thank you, everybody, for being on time.

The committee was dealing with a motion, on the last occasion, by Ms. MacCharles to amend Mr. Leone's motion. This is motion number 5 in your package. On the last occasion, Mr. Zimmer had the floor but he is not here today—at least, he's not here in the room at this point. Therefore, we're open to further debate.

Further debate? Mr. Moridi.

Mr. Reza Moridi: Good morning, everyone. Mr. Chair, it's clear to me that the opposition members are seeking to endorse, advocate and lobby for a prejudicial report against the minister. The report that the opposition are lobbying for would be taking a substantive and damaging position against the minister that would only serve the political needs of the opposition and not the interests of the people of Ontario.

This motion would send a report to the Legislature and to the Speaker that would have a prejudicial ruling on the following items:

- the committee compels the documents, irrespective of the sensitive nature of the materials;

- if the minister does not bend to the committee's wishes, even though he is following the ruling of the Chair, that there may be a breach of privilege.

The opposition have clearly outlined what they believe needs to be in this report. However, it does not provide the full and complete picture. Our amendment, therefore, seeks to ensure that the report back to the Legislature and to the Speaker contains all of the relevant and pertinent information that has seized this committee thus far.

I think that one of the biggest pieces of information that has governed this committee and the minister's action is the ruling of the Chair. I will remind folks that the Chair has ruled that the minister has a right to decline documents, in the same way that the Chair has ruled that the opposition members have the right to ask any and all questions about these matters. In this case, the minister, in his response to the motion that was passed on May 16, 2012, thought it was in the best interests of the province of Ontario to file the response that he filed, which, I might add, was in line with the Chair's ruling.

We think that this whole motion is frivolous and the opposition is simply playing political games. The report back to the committee should contain the facts. The opposition has clearly stated what facts they want included in the report; namely, the full motion that was passed on May 16 and excerpts of the minister's response. It is only fair and responsible that this motion contain a detailed outline about the other facts that need to be included, so as not to prejudice or unjustly bias anything that goes before the Legislature.

In this vein, it's important that the context to which the minister responded to the committee be a tenet of this motion as well as a principle of the report from this committee. Anything less than that would clearly demonstrate that the committee is not interested in presenting the facts on what we consider to be very serious and unfounded charges against the minister; rather, they're out to hold a trial on the floor of the Legislature and besmirch the good name of this minister for political benefit.

Thank you, Mr. Chair.

The Chair (Mr. Michael Prue): Further debate? Mr. Leone.

Mr. Rob Leone: I just have no idea what that had to do with the amendment that we're putting forward here with respect to the one Ms. MacCharles put forward on June 12. I don't have any idea what that had to do with this amendment that we are debating. We're not debating the motion; we're debating an amendment. Certainly, that has nothing

to do with the amendment that they're putting forward.

I would hope that in future discussions on amendments, we would stick to whether the amendment is necessary or not.

Thank you, Mr. Chair.

The Chair (Mr. Michael Prue): Further debate? Seeing no further debate, are we ready for the question? Mr. Dhillon.

Mr. Vic Dhillon: Chair, I request a 20-minute recess.

The Chair (Mr. Michael Prue): Okay. Prior to the vote, it is in order for Mr. Dhillon to ask for a 20-minute recess, so the recess is automatic and is granted. The meeting is recessed till 8:27.

The committee recessed from 0807 to 0827.

The Chair (Mr. Michael Prue): All right, we will now proceed to the vote. We're voting on amendment number 5 to the motion, which you have before you.

All those in favour? All those opposed?

Interjections.

Mr. Vic Dhillon: Ms. Cansfield asked for a clarification.

Mrs. Donna H. Cansfield: Yes, I'm sorry. I didn't understand.

The Chair (Mr. Michael Prue): It's the amendment. We're voting on amendment number 5. That's what we have before us.

Mrs. Donna H. Cansfield: Okay, right. Thank you.

The Chair (Mr. Michael Prue): Okay. If there's some confusion, we'll do it again. All those in favour of the amendment? All those opposed? Again, it's tied. It seems this is mostly what I do here.

Interjection.

The Chair (Mr. Michael Prue): Okay. I am going to vote against the amendment. I am going to do so because of the events that took place yesterday. The main reason that was given by the minister and the main reason why I made the initial ruling was that it could have affected a court case. I'm given to understand from the minister, and all of the information that was released yesterday and is in all of the major newspapers this morning, that there is no longer a court case in either Mississauga or in Oakville. That being the reality, I don't see the purpose of this. It is quite clear that at the time the ruling was made, that was an issue, but I don't know how it needs to be an issue at this point. Having said that, I would cast my vote in the negative, and the amendment fails.

Yes, Mr. Leone.

Mr. Rob Leone: Chair, I'd like to call the question on the basis of what you just said—to the main motion.

Mrs. Donna H. Cansfield: Sorry, you want—

The Chair (Mr. Michael Prue): Well, I haven't even gotten to the point where I—but I will recognize you next. That's where we're at. We do have a number of amendments that have been filed before us, 6 through 10. Mr. Leone, I will now recognize you.

Mr. Rob Leone: Mr. Chair, I've asked to call the question to the main motion simply because we've been debating this for a number of hours now, in light of what happened yesterday. Certainly, the statement by the Ministry of Energy and the Minister of Energy with respect to the Mississauga gas plant included lines to the effect that there are no longer any legal proceedings related to the Mississauga gas plant. On the basis of that, I think that many of the questions and concerns brought by the governing party on this matter have simply, on the basis of that statement and the decision to move the plant to Lambton—I believe that it's in everyone's interests to proceed with the work of estimates so that we can get to the Ministry of the Environment, which is a choice, a selection, that I believe was made by the governing party to be scrutinized in estimates. On the basis of that, Mr. Chair, I would ask that this question now be put.

Mr. Vic Dhillon: Chair, I would like a 20-minute recess.

Mr. Peter Tabuns: He hasn't even called for the vote.

The Chair (Mr. Michael Prue): I haven't called the vote yet, but is there—

Interjection.

The Chair (Mr. Michael Prue): Yes, yes. I have to decide—and there is no debate on this?

Interjection.

The Chair (Mr. Michael Prue): No. There's no debate.

It's not a vote, so there's not an entitlement to a 20-minute recess; it's simply my decision whether or not sufficient debate has taken place around this issue. I'll take a 10-minute recess to consider that and also to consult with the clerk, because I need to know the number of hours we have spent debating this up to this point. So we will recess for 10 minutes, and be back here at 20 minutes to.

The committee recessed from 0831 to 0841.

The Chair (Mr. Michael Prue): The meeting is resumed. We have, in the period since the recess began and now, received a copy of a letter from Minister Bentley. I have asked that a copy of the letter be distributed to all members and form part of the record, so everybody will have a chance to read that.

Unfortunately, we require an additional 10 or so minutes to calculate the amount of time that has been spent to date, debating this particular motion by Mr. Leone. I think it is germane to the issue of the vote, so I am asking, and I will be recessing again, for 10 more minutes to have that calculation made. It will also give an opportunity for people to read the letter from Mr. Bentley, which is totally on topic to the decision that must be made.

Everybody has a copy?

Interjection.

The Chair (Mr. Michael Prue): We have them. Every member is entitled to a copy. That's a point of privilege, and everyone is going to have one—

The Clerk Pro Tem (Ms. Tonia Grannum): They've all got one.

The Chair (Mr. Michael Prue): —including the Chair. Thank you.

All right, we are recessed for an additional 10 minutes, until 8:52.

The committee recessed from 0842 to 0853.

The Chair (Mr. Michael Prue): The meeting is resumed.

I have now had an opportunity to consult with the clerk and especially to find out how long we have been debating Mr. Leone's motion and all the ancillary amendments to it. We have been at this now for eight hours. That is, we have spent eight hours without doing the primary work of the committee. The primary work of the estimates committee is to call the various ministers and ministries before us and to ask tough questions. That's what estimates does. That's its role within the Legislature. The role is, I think, what we are here to do.

I have considered the eight hours. I have also looked at a precedent. There is one other precedent where this happened, back in 1996. It involved a longer period of

time than eight hours, but it was on motions made by then-member Ms. Pupatello—the request in that case to say that sufficient time was granted by the Chair in that day.

Given the statement by the minister that he will be in large part acceding to the request of the committee in short order, and so will the OPA, I see very little reason to continue with the debate. Therefore I am going to rule that the request is in order and that we go on and vote on the main motion, as amended.

Mrs. Donna H. Cansfield: Mr. Chair? I'd like to move an appeal on the motion of closure.

The Chair (Mr. Michael Prue): On my decision?

Mrs. Donna H. Cansfield: Yes.

The Chair (Mr. Michael Prue): Okay. An appeal has been made of the Chair's decision. So the question—and I'd better get it, because it's contrary to what I have learned in Robert's Rules of Order. It's not, "Shall this Chair be sustained," but—what's the actual wording?

The Clerk Pro Tem (Ms. Tonia Grannum): Shall the ruling be appealed to—

The Chair (Mr. Michael Prue): Okay, yes.

The Clerk Pro Tem (Ms. Tonia Grannum): Shall the Chair's ruling be appealed to the—

Mr. Vic Dhillon: Chair? I'd like to request a 20-minute recess.

Interjection.

The Chair (Mr. Michael Prue): Okay, yes, you do have to vote on that.

The question will be, then: Shall the Chair's ruling be appealed to the Speaker? When we come back, that will be the vote.

Mr. Dhillon has requested a 20-minute recess, which is in order. We are now recessed for 20 minutes so that members may consider their vote. We stand recessed until 16 minutes past 9 o'clock.

The committee recessed from 0856 to 0916.

The Chair (Mr. Michael Prue): The meeting is resumed. We will now go to the vote, the question being, shall the decision of the Chair be appealed to the Speaker? All those in favour of the motion made by Ms. Cansfield? All those opposed? It is again tied. As I have stated on the last occasion, since I am required to break the tie vote, I will not be appealing my own decision.

Mrs. Donna H. Cansfield: Mr. Speaker, if I may on a point of order, please: I have three issues that I'd like to identify.

The Chair (Mr. Michael Prue): We have to go directly to the closure motion, but I will recognize you after that.

All right, we now have the closure motion, which is to cut off debate on the motion of Mr. Leone and all the amendments that have been either made or filed.

All those in favour of the closure motion, please signify. All those opposed? Again, on a tie vote, I would cast my vote in favour of the closure for the reasons I have already given. We have had eight hours of debate.

The only issue that remains, given the copy of Minister Bentley's letter, is whether or not the committee

must respect the confidentiality associated with the document by exempting it from disclosure. That is what Minister Bentley has written on solicitor-client privilege. That's the only issue, in my mind, that's left.

We now proceed to the main motion, as amended.

Mrs. Donna H. Cansfield: Point of order.

The Chair (Mr. Michael Prue): But before we do that, I'm going to recognize Ms. Cansfield.

Mrs. Donna H. Cansfield: Thank you very much, Chair. I want to—

The Chair (Mr. Michael Prue): Oh, no; sorry. The clerk has told me I must move to the main motion, and I would acknowledge her expertise on this point. We must move to the main motion. Now, it's the main motion, as amended. There has been one amendment that was made, and that was amendment—

Interjection.

The Chair (Mr. Michael Prue): We had better clarify. I want to make sure that everybody understands the amendment. The clerk requires a few seconds here, so we'll recess for five minutes to allow the clerk to determine exactly how the motion has been amended before we vote on it.

Recess for five minutes.

The committee recessed from 0920 to 0932.

The Chair (Mr. Michael Prue): We will resume. I have been informed by the clerk that the Hansard has been requested in order to determine exactly what was done on that date. Any indication of how much time might be necessary?

The Clerk Pro Tem (Ms. Tonia Grannum): We need 10 more minutes.

The Chair (Mr. Michael Prue): She requires an additional 10 minutes to search the Hansard. I want everyone to be crystal clear on exactly what this motion now reads, as amended, before we vote on it.

We are recessed for an additional 10 minutes in order to get the transcript. Meeting recessed.

The committee recessed from 0933 to 0946.

The Chair (Mr. Michael Prue): The meeting is resumed. With much thanks to the clerk and the clerks' office, you now have the motion with the deletions, which is the entire paragraph 2, made in two separate motions. The vote will be on the motion, as amended. All those in favour of the motion, as amended? All those opposed? Again, it is another tie vote. Okay.

It has taken many, many weeks to get to this position. I am going to cast my vote in favour of the motion, as amended. In so doing, I want it to be very clear and on the record that I believe that the issue that is now before the Speaker—and it is before the Speaker, not this committee; it is the Speaker who must make the determination whether or not this committee has been accorded its privileges to see documentation; it is the Speaker who must determine whether or not the minister has provided that documentation. I am mindful and I trust the Speaker's decision, and he is the final authority and arbiter of this.

The issue, as I see it, at this point, is down to the point, since the minister has revealed in a letter today that he will be forthcoming with almost all of the documentation as it relates at least to the Mississauga portion. The final question, I think, that the Speaker is going to have to answer, and this is why I'm putting it on the record, is whether or not the minister can choose not to provide—and I quote from his letter: "Certain information remains subject to solicitor-client privilege and I continue to ask the committee to respect the confidentiality associated with that documentation by exempting it from disclosure." I think that's what has to be determined, in view of the House of Commons' decision made around the Afghani affair, that the information could not be kept from a parliamentary committee.

I think the Speaker needs to rule on this and that's why I am supporting it. And I am asking as well that the minister's letter be appended to the copy of the motion so that the Speaker understands very clearly. I'm also asking the clerks' department to make the entire transcript around this motion available to the Speaker, because I want the Speaker to be able to understand clearly how this changed from day to day and how we got to the final decision today. Having said that, I will cast my vote in the affirmative. The motion carries.

On the point of order, I now recognize Ms. Cansfield.

Mrs. Donna H. Cansfield: Thank you very much, Chair. I have a couple of issues I'd like to raise with you as a point of order. One is, I'd like to submit a dissenting appendix to the documents being forwarded to the Speaker.

I also would like to make a comment that I think that we have, as you have just indicated—it's interesting that according to the privileges for the members, I think you have usurped long-standing parliamentary procedures with your closure decision. I'd like that on the record. And you spoke about the letter.

But more so, I want to raise an issue, and I'm going to ask for direction from the legislative branch. Often in our role in other areas, we make comments one way or another about an event that occurs within the normal course of the Legislature. Then some of us end up in a position where we are a Chair of a committee, and as a committee, we are deemed to be neutral and to use parliamentary procedure to the very best of our ability, to remain and sustain that neutrality.

According to the procedures as they are outlined, the Chair must rule on his or her own decision, even as an appeal, except in a position where the Chair may be in a situation, having made a comment or a suggestion or a position, where it was known whether they were for or against a particular situation. It produces a fiduciary conflict of interest for that Chair and then, therefore, it's prejudicial to an outcome on a vote—and it could be in any committee, not just this committee.

My question for the legislative branch is, when such situations occur and given the fact that rulings must be made, can the Chair not excuse himself or herself and let the Vice-Chair assume that position? I don't need an

answer now. I would like it on the record, though, and to come back to all members, because I think it's something that really impacts all committees, not just this committee, when it may be seen that the Chair is prejudicial to a particular situation, either for or against, and then makes rulings one way or another on that issue. I think that helps the member so that they are not put in a conflict of interest or in a position where they may be shown to have a conflict of interest. So I ask that through you, Mr. Chair, to the legislative branch. And that I can do as a member of this committee.

The Chair (Mr. Michael Prue): Fine. The statement has been made and is part of the record. I don't think I need to rule on it or say anything about it.

All right. We are now at the point—

Mr. Rob Leone: Chair, can I respond to that on a point of order? Is it possible?

The Chair (Mr. Michael Prue): I'm not sure that it needs a response. It is a member making a statement that she believes that there should be some changes to the rules or procedures. That's really what she's saying. I don't know whether it needs to have a comment or not.

I am bound, as is this committee, as is the House, by the rules and procedures that are in place, and I believe they have been followed. If they are to be changed—then she has made a statement that she is indicating that she would like to see some change—that change would normally take the form of her talking to the government House leader, and the opposition House leaders would take a look at that, and they would sit down and discuss potential changes. I think that's how business goes on around here.

I don't know whether anyone needs to speak any further to that. Do you need to speak further to that?

Mr. Rob Leone: I was just going to say, Mr. Chair, that I know you've been put in many difficult positions throughout the course of this committee already and in positions where you are breaking ties, as we have four people on this side and four people on that side. I just want to state for the record that, in my view, you have conducted yourself very impartially and fairly. You have at times sided with us and at times sided with the government. I just wanted to state for the record that I think that your work as Chair has been very, very good.

The Chair (Mr. Michael Prue): I thank you for that.

Now, we are on to business, I would think, of the committee? Yes. At this point, on the last occasion it was made known to the Minister of Energy that he would be called and given 15 minutes' notice for his arrival. So I would ask at this point—I want to give 20 minutes, just in case. It is now five minutes to 10. If we could come back here at quarter past 10, at that time the minister will be—

Mr. Reza Moridi: Mr. Chair, can I request a half-hour recess, until the minister arrives?

The Chair (Mr. Michael Prue): He did inform me that he could be here in 15 minutes; we're making it 20, just in case.

Mr. Reza Moridi: That's fine.

The Chair (Mr. Michael Prue): Okay, we're going to make it 20, and that will be quarter after. The minister has indicated that he and his staff will be here—

Mr. Peter Tabuns: And the rotation—

The Chair (Mr. Michael Prue): If I could ask, so that we know the rotation, so everybody knows where we're starting—

Interjections.

The Chair (Mr. Michael Prue): It is my memory, but we will confirm this, that there's about five minutes left for the Conservatives; that we broke—this was way back in May or maybe April. There's about five minutes left on their rotation, and then we will proceed to Mr. Tabuns. We will confirm this in the next 20 minutes.

We are recessed for 20 minutes.

The committee recessed from 0955 to 1015.

MINISTRY OF ENERGY

The Chair (Mr. Michael Prue): Time to reconvene. I want to welcome the minister and all of the staff back. Just for the edification of the minister, your letter was received this morning. It has been filed. It's part of the record.

Hon. Christopher Bentley: Thank you very much.

The Chair (Mr. Michael Prue): My understanding, and it has been confirmed by the clerk, is that on the last occasion you were here, questions were with the Conservatives. They have approximately five minutes left, and then we will go in rotation from there.

Mr. Rick Nicholls: Thank you very much. Welcome back, Minister. It's good to see you back here, and now an opportunity for us to get to the real issues. Recognizing that fact, Minister, I would really appreciate short, succinct responses in order to make up for the close to nine hours that we've wasted of taxpayers' dollars thus far.

Minister, here's my question: In your press release yesterday, you stated that the total cost of relocating the Mississauga power plant is approximately \$180 million. This lawsuit is a further financial burden on the back of Ontario taxpayers. My question is simple: Would you prefer to have that unnecessary expenditure paid for by the taxpayers or the hydro ratepayers through increased hydro bills once again?

Hon. Christopher Bentley: Thank you very much. I do appreciate being back to the committee. I did appreciate the opportunity yesterday to provide the people of Ontario and this committee with an update on the Mississauga gas plant situation. I said all along that as soon as I was able to provide an update, I would, and yesterday was an opportunity to do that.

The Oakville situation: There are still confidential conversations going on within the framework of an arbitration, so that is still going on. I don't have an update there.

Specifically to your question, we have announced an agreement between the Ontario Power Authority and Greenfield South Power to relocate the Mississauga gas

plant. It will now be known, I suspect, in our conversations as the Lambton gas plant. The bottom-line cost of relocation is \$180 million. That agreement was concluded on Monday. There hasn't been a further discussion or decision about how it will be allocated, but that is the cost of doing what we committed to do back in September 2011, and what your party committed to do by press release exactly the same day, and what the third party, the NDP, committed to do as well.

Mr. Rick Nicholls: So in answer to the question regarding who will, in fact, be paying for that: Will it be through increased hydro rates, do you suspect?

Hon. Christopher Bentley: As I indicated, there hasn't been a further conversation about that since the agreement was concluded on Monday. That's something that will have to be discussed and decided in the future.

Mr. Rick Nicholls: I see.

Do you have anything further?

Mr. Rob Leone: Yes. Thank you, Minister, for coming back. I have a question with respect to what has transpired over the last 24 hours. I know that David Caplan took the fall for Minister Smitherman on eHealth, which cost about \$1 billion.

I'm wondering if you're going to take the fall for Minister Duguid on this wasted \$180-million transfer of the plant.

Hon. Christopher Bentley: Thank you very much. What we announced last September 2011 as our intention—it was immediately, same day, by press release, picked up by your party. I'll quote part of it: "A Tim Hudak government will cancel this plant." The NDP was saying, approximately two days later, on September 26, that, "We wouldn't build it." It would mean that, however the election had turned out, all three parties were going to be in exactly the same position; that is, either cancelling it and not building anything or cancelling the location and moving it. Our choice was to cancel and move it to best obtain the power, to best protect the people of the province of Ontario and to reach the agreement.

The long, good-faith discussions that we had—and I thank all parties for their participation in those; their hard work in those discussions—resulted in an agreement that provides value for both. But the cost of relocating, the cost of fulfilling that commitment, which was the commitment that your party made and the commitment the NDP made, is \$180 million.

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Mr. Rob Leone: Minister, if we were in government, there would have been a new Minister of Energy, a different Minister of Energy, on account of bungling the siting of the Mississauga gas plant. Don't you think that we should have a new minister because of this bungling of the Mississauga gas plant, the siting of that, which was your government's decision?

Hon. Christopher Bentley: Thanks very much. I became the minister, actually, in October 2011 and proceeded to implement the commitment that we made, which was exactly the same commitment that your party

made and exactly the same commitment as the NDP made, so I think that's a fact that we shouldn't miss.

The Chair (Mr. Michael Prue): Okay, and that would be the end of the five minutes. Mr. Tabuns, the floor is now yours.

Mr. Peter Tabuns: Thank you very much, and welcome back, Minister.

Hon. Christopher Bentley: Thank you very much.

Mr. Peter Tabuns: Minister, did the Premier's office direct the Minister of Energy or the OPA to cancel the contract with Greenfield in Mississauga?

Hon. Christopher Bentley: As you know, there was a Liberal Party press release that was issued, I believe the date of September 24, 2011, announcing our intention. Once we became the government, we proceeded to implement our intention.

Mr. Peter Tabuns: So who actually made that decision? Was that the Premier?

Hon. Christopher Bentley: Sorry, the decision around the September 24th? That was a Liberal Party press release, and we campaigned on that.

Mr. Peter Tabuns: And who is the Liberal Party? Which individual in the Liberal Party made that decision?

Hon. Christopher Bentley: I can't speak to that. I can speak to the fact that it was a Liberal Party press release.

Mr. Peter Tabuns: So it wasn't the Minister of Energy?

Hon. Christopher Bentley: I wasn't the minister at the time.

Mr. Peter Tabuns: No, I know you were not, but my guess is that you've become intimately familiar with this whole affair in the last few months. Was it the Minister of Energy who, on his own behalf, decided that we should not proceed?

Hon. Christopher Bentley: The information I've seen is the Liberal Party press release.

Mr. Peter Tabuns: That's interesting. So it was the Liberal Party, not the government of Ontario at the time. So was it the—

Hon. Christopher Bentley: It was a Liberal Party press release that was issued on the 24th, and it was our intention, should we form the government, to relocate the plant. I don't believe we talked about cancelling the contract, as was suggested in a previous discussion. We spoke about relocating, not proceeding with the plant at the Mississauga location, and proceeding to work with the proponent to relocate the plant. Those were the discussions that have ensued.

Mr. Peter Tabuns: So if it was the Liberal Party in the midst of an election, was it the campaign manager for the Liberal Party operating in Ontario that made that decision?

Hon. Christopher Bentley: I don't have that information.

Mr. Peter Tabuns: We look forward to seeing some of that information come forward when you file the documents that you have promised to file.

Hon. Christopher Bentley: I did indicate by letter to the committee that we are preparing the documents relating to Mississauga and have asked the committee to respect solicitor-client privilege with respect to the documents. I'm aware of the report, Mr. Chair. That's a separate issue. I've just indicated by letter that there are documents that we're preparing that are not solicitor-client privileged.

Mr. Peter Tabuns: So, are the documents that you're going to provide us—will they show who in the Liberal Party decided that this plant would not go ahead?

Hon. Christopher Bentley: Well, when I provide the documents, when they're together and we're able to provide them, you'll be able to judge for yourself what they show. I don't want to get ahead of the documents and I don't want to get ahead of your characterization of the documents. What I've said is that we will provide them.

I said all along that when this matter reached a point where I could speak to it—I'm pleased that it reached a point where an agreement was concluded between Greenfield South Power and the Ontario Power Authority, but I said all along, and I have said since I became the minister, that when this issue reached a point where I could provide an update, I would provide the update. I said that to the committee. Yesterday I was able to provide the update on the basis of an agreement that was reached, concluded on Monday, and I have said by letter this morning—and yes, I'm aware of the report. The report is there. It's going to the House. But apart from the report, I have said by letter that we are preparing and prepared to provide documents, and we're asking that solicitor-client privilege be respected. So the documents that are not solicitor-client privileged we'll be providing, and I think they're being prepared now.

Mr. Peter Tabuns: That's good, because I would assume a letter or an email from the campaign director for the Liberal Party in the last election would not be part of a lawsuit. I assume direction from the Premier to the Minister of Energy saying, "Hop to it," also wouldn't be the subject of a lawsuit. So I look forward to those documents.

I want to go to another, but related, point—

Hon. Christopher Bentley: Can I just—I don't want to take too much of your time, but I've spoken about solicitor-client privileged information, I haven't spoken about matters that are subject to a lawsuit because, as I made clear yesterday during the report, the lawsuits relating to Mississauga on both sides of the border have been withdrawn. That's my understanding.

Mr. Peter Tabuns: Right.

Hon. Christopher Bentley: So I've separated out solicitor-client privilege from the broader issues that we talked about before.

Mr. Peter Tabuns: Yes. I just think a lot of us are interested in knowing who actually made the decision to incur this \$180-million cost, and my guess is, it was not a junior clerk in the Ministry of Energy.

On another matter—

Hon. Christopher Bentley: So you will see from the documents the implementation of the Liberal Party intention, as expressed in the press release of September 24, and I expect that in the documents that we are putting together, you will see the implementation of the government's stated intention in that press release. You can draw your own conclusions from those and from anything else.

Mr. Peter Tabuns: The IESO and the OPA had previously said that the power plant was needed in Mississauga to deal with a shortfall in supply to the southwest GTA. I was at your media conference yesterday. That question was asked. You've indicated that that is no longer an issue. When did that change?

Hon. Christopher Bentley: No, what I've indicated is that we're confident that we can meet the needs of Mississauga and that part of the GTA through other means. The Ontario Power Authority, the IESO—all parties are constantly planning to make sure that we have enough power to meet the needs. There obviously was a view that having generation located close to the need is always a factor to be taken into consideration, but as the past four weeks of very extreme hot weather and the demands on the electricity system in the province of Ontario have demonstrated, we have been able to meet the very high needs of the people of the province of Ontario, including Mississauga and this part of the—

Mr. Peter Tabuns: Well, you're—

Hon. Christopher Bentley: I'll just finish; I won't be long—including this part of the GTA through the existing. Now, we have indicated, obviously, if you don't have the generation right beside the load, then you're moving it from somewhere else.

Mr. Peter Tabuns: That's right.

Hon. Christopher Bentley: As you know, we just completed and opened up the Bruce-to-Milton line, which is significant, and we have been upgrading our transmission throughout the province of Ontario. We'll continue to do that, and we'll continue to plan for the out months and the out years to make sure that what we can meet today we'll be able to meet in the future, no matter what the demand happens to be.

Mr. Peter Tabuns: Well, in the spirit of brevity, you've just opened a whole other chapter for me. This \$180 million to move the plant from Mississauga to Sarnia, you are going to meet the shortfall and supply by "other means"—the words you used a few minutes ago. I'm assuming, again, from your words, that means investment in transmission. What's the cost of the transmission investment to deal with the movement of this plant?

Hon. Christopher Bentley: I don't think you accurately took from what I said—

Mr. Peter Tabuns: I think I did, but nonetheless, proceed.

Hon. Christopher Bentley: What I was intending to say: We have had, as you've seen in the past four weeks, very extreme weather, very high demands on the electricity system. We have had the ability—and I want to thank the men and women not only of the generators, like OPG and the independent generators, but the transmit-

ters, Hydro One, the LDCs, all those involved in the generation and transmission of electricity. I want to thank them for the work they've done the past four weeks.

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We've been able to meet the demands. We're constantly planning to make sure we can meet the demands in the future. We are confident that we can meet the demands, and we'll constantly plan to make sure that we can.

Mr. Peter Tabuns: How much more is it going to cost you in transmission infrastructure to deal with what you have said is a shortfall in demand in the southwest GTA? You're spending \$180 million to move the plant. You've said you will meet the needs there by other means. What is it going to cost you to provide those power supports by other means?

Hon. Christopher Bentley: No, what I said was we're able to meet the needs; we believe we'll be able to meet the needs. And if there is any shortfall in the future, we'll make sure that the planning has been adequately done for this region, as in all regions of the province of Ontario, to make sure that we can get power to where it's needed.

Mr. Peter Tabuns: So you're saying—

Hon. Christopher Bentley: There isn't a shortfall at the moment; I don't anticipate a shortfall in the future. I do not anticipate a shortfall in the future. We constantly plan through the OPA and the IESO to be able to meet that.

But let's be clear: There are transmission upgrades going on in the province of Ontario, and there have been. There was not enough investment in the transmission infrastructure in this province for many years, up till the time we became the government in 2003. We've seen south of the border, in particular, the consequences of saving today by not making the necessary investment. We've been making the necessary investment.

You've asked about bills. That's reflected to some extent in the bills that ratepayers are receiving. We'll continue to make the upgrades in transmission to make sure you have a reliable system that can carry the load. We're confident that we can meet the needs today and tomorrow in Mississauga and the GTA, like all parts of the province—constant planning by the IESO and the OPA to make sure we can meet those needs.

Mr. Peter Tabuns: In the end, you will either show that the IESO and OPA misjudged the need for power in the GTA or you will have to at some point provide transmission infrastructure to deal with the shortfall, should it exist. I don't—

Hon. Christopher Bentley: What we have an obligation to do is to make sure that we can feed the needs of Mississauga and that part of the GTA. We are today; we expect to be able to in the future. In that region, like every other, we constantly plan to make sure we can.

There is no identified issue with respect to meeting those needs at the moment. It doesn't mean that they were wrong. It means that, as in all cases, it's always better to have generation as close to the load as possible; better subject to the fact that there are challenges in loca-

ting generation in the province of Ontario no matter what kind of generation you talk about.

There is a constant: There are challenges in energy projects in the province of Ontario in locating them. If you don't locate them nearby, there are challenges in transmission. And there is one constant: Everybody wants it. We've had a very reliable system, as demonstrated over the past four weeks.

Mr. Peter Tabuns: Minister, in the New York court documents that were filed, it was clear Greenfield was under no obligation to stop construction. In fact, they could have gone ahead with construction and, upon completion, the OPA would have been obliged to pay for the contracted amounts. If the OPA hadn't, Greenfield could have sued for failure on your end to meet your contractual obligations.

How did you get Greenfield to roll over and accept that their plant would have to be relocated?

Hon. Christopher Bentley: You know, I completely and utterly reject your characterization of Greenfield. I think it's a very unfair comment on your part. Greenfield throughout this, as did the OPA—the two parties to this negotiation both worked hard; they bargained hard. These were long and protracted conversations, as is evidenced by the fact that I started speaking about this just about the minute I became the minister and you, your party and others were constantly asking me for an update. I constantly told you there were very active discussions going on. They were very hard discussions.

In the end, the two parties reached an agreement—good-faith discussions—and I say good for them. They reached a discussion that's good for the people of the province of Ontario, that is good for Greenfield South Power and their owners and shareholders. If it hadn't been, there would have been no agreement, but there was.

Mr. Peter Tabuns: Now as you're probably aware, financiers for this project in court in New York expressed their frustration and anger that the Greenfield developers rolled over without a peep, without complaint. They just accepted it. The financiers were furious; read the court record.

What did you say to them to get them to agree to ignore a contract that they had signed with you?

Hon. Christopher Bentley: I'll let other people read records about things that are said in court or in the process of negotiation or discussion. I'll just let other people read them and decide.

What I need to deal with is the result. The result, as we were very clear about yesterday, is that all lawsuits with respect to EIG, the financier of the Greenfield South project, have been settled; they've been withdrawn. Part of the cost of relocating is an early termination payment of \$88 million, end of story. I don't need to worry about or concern myself with what was said by them in a lawsuit in another jurisdiction. That's the end of that story.

Greenfield South Power has reached an agreement that they believe is in the best interests of them and their owners. I happen to agree with them because it happens

to be an agreement that was reached on behalf of the people of the province of Ontario through the OPA that the OPA believed in all the circumstances was in the best interests of the ratepayers. That's what an agreement is: Two parties come to see it as something that they both believe is in their best interests. They both worked hard, very intensely—very intensely—and they reached an agreement. They are in possession of the facts and circumstances that they believe are important to them.

Mr. Peter Tabuns: Minister, I'm trying to understand what happened here. Your saying, "Well, let's just move on," is not adequate. We're \$180 million out of pocket, the people of Ontario. Whether it's through their rates or their taxes, they've incurred an expense they shouldn't have incurred. We need to understand what happened.

In court in New York, the financiers said that Greenfield just simply went along, didn't complain. So one has to ask, what inducements were offered to them? The financiers said that the OPA or the government of Ontario was paying off any liens that were being put against the equipment on the site. Did you tell Greenfield that you were going to assume any debts or liabilities that they might incur in the course of all this?

Hon. Christopher Bentley: Absolutely, yes. Were there payments that went to the different parties during the course of the negotiations—

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: —to make sure that equipment that had been ordered had actually been received, to make sure that the negotiations and discussions were able to continue? Are all those accounted for in the course of either the negotiated price or the relocation cost? Yes. That's part of the discussion.

Mr. Peter Tabuns: So effectively, you became Greenfield's financier at that point. Well, their financier pulled out. They were engaged in litigation. They didn't have any other source of money; you were it. What did you offer? Did you offer to cover all their expenses? Did you cover their legal fees in this matter?

Hon. Christopher Bentley: The expenses that are part of the relocation cost are there. They add up to \$180 million. Any other part that was the subject of the negotiations is reflected in the net revenue requirement price of \$12,400. So lots of discussions; lots of items were talked about during the course of the negotiation.

Did money flow to pay off things like creditors? Absolutely, because the financier of the project was financing a project and there wasn't a project proceeding at that site. When you take a look at the Mississauga site-specific costs for goods and services that can't be used of \$85 million, there were people who had to be paid. Somebody paid them, and they're reflected in our price, in our \$180 million—some of which were paid along the way and some of which have since been paid. But they're all reflected in the \$180 million.

You have the backgrounder from yesterday?

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Mr. Peter Tabuns: I don't have it with me, but I would be pleased if all of us had a copy circulated.

Hon. Christopher Bentley: That would be great. Can we get extra copies? When I spoke yesterday about the cost of relocating the plant, and I broke out the Mississauga site-specific cost for goods and services that can't be reused at the new location—

Mr. Peter Tabuns: That includes the legal costs that—

Hon. Christopher Bentley: Yes. I'm providing a copy to everybody, Mr. Chair, while I answer the question so we don't grind up his time. When I spoke to the site-specific costs that can't be reused and said it's \$85 million—when you talk about labour or equipment storage or transportation, those are things that have been paid for. So, yes, it's part of our \$180 million. But if you look to the bottom, there are additional, Mississauga site-specific costs, \$7 million. That's what we anticipate for bills that haven't come in yet, and yes, the people of Ontario are responsible for those.

Mr. Peter Tabuns: So those are the legal bills for Greenfield—

Hon. Christopher Bentley: I don't know what we've been—

Mr. Serge Imbrogno: They're more site-specific.

Hon. Christopher Bentley: I think they're site-specific costs. But these are our costs.

Mr. Peter Tabuns: So where are the legal costs that Ontario paid for the developer in all of this?

Hon. Christopher Bentley: I'm not sure that we paid their legal costs, but I can get back to you on that.

The Chair (Mr. Michael Prue): With that, that's the 20 minutes. It's now the opportunity for the government.

Mr. Reza Moridi: Thank you, Minister, for appearing before this committee. Welcome back.

Hon. Christopher Bentley: Thank you.

Mr. Reza Moridi: It's a great day.

Hon. Christopher Bentley: Every day is a great day.

Mr. Reza Moridi: That's right. It's a beautiful summer.

Minister, Ontarians as well as people in my beautiful riding of Richmond Hill are all benefiting from the investments they have made in our green energy and renewable energy. By doing that, they are also helping us to reduce our dependency on fossil fuel and advancing our green energy strategy. What do you think is the potential for Ontario to become a leader in green energy initiatives globally?

Hon. Christopher Bentley: That's a really great question. I'll just provide a little bit of context and background.

We have been reducing our dependence on coal. We made it clear in 2003 that we were going to do that. At the time, it had climbed to about a quarter of the electricity that we actually generated, through coal. A lot of hard work by Ontario families and businesses over the past nine years has enabled us to get down to the point where the actual amount that we use is less than 5%. We have capacity for more than that, but the actual amount that's used is less than 5%. We're getting out of coal. We'll be out of it no later than the end of 2014.

When we launched the Green Energy Act back in 2009, it was with a twofold purpose: Make sure we built on the work that had been done in the years before—through the RES I and RES II RESOP programs, renewable energy approaches. This one used a feed-in tariff approach, used around the world, to make sure that we could not only accelerate bringing on green, renewable, clean energy, such as solar, biomass and wind; it also did it in a way that created jobs in the province of Ontario. We did that by requiring that a certain proportion of every project have Ontario content—made-in-Ontario parts, by Ontario businesses, hiring Ontario workers. It has been very successful: 20,000-plus jobs already; billions of dollars in investment; we see plants all across the province of Ontario.

We're now in a position—and we've just conducted a review of the Green Energy Act—where we expect that over the next two years, as the projects get built out—many of them have worked through their approvals process—we will see more renewable energy projects plugged in in the province of Ontario with more Ontario-made parts by Ontario workers than cumulatively have ever been done in our entire history. That's a strong statement of an industry here in the province of Ontario.

The question then is—and that's the one you ask—how do we become a leader in the world? Well, first of all, do we want to be? Gosh, the market for clean, green tech is in the trillions by 2020 and beyond—trillions—and that includes renewable energy. We already have businesses such as OSM Solar down Welland way, such as CS Wind down Windsor way, such as the racking outfit up in Scarborough—the name of which has just eluded me—that already export around the world, different parts of the world.

So can we build on our ability to manufacture high quality here—

Interjection.

Hon. Christopher Bentley: Samco; thank you very much; sorry about that, Samco—and export around the world? Can we build on that and become world leaders? The answer is, "Absolutely."

My colleague Minister Duguid and I launched about two months ago an export strategy. An export strategy consists of a number of different steps, but the goal of the export strategy is to make sure that we not only support our businesses here in the province of Ontario to develop high-quality products, but we find ways of smoothing their ability, facilitating their ability to export this expertise around the world. If you think about it, we have very skilled workers, knowledge-driven workers, in the province of Ontario, so we can develop the products, we can innovate in the design; we've got the workers who are trained, through our training systems, to produce them, and it's high quality, so we can export around the world. It really is a virtuous circle there, and that's the goal of this particular approach.

One of the parts of that is to make sure that we are visible at different trade shows around the world, and my colleague Minister Duguid is handling that part. Another

part of that is that we have a clean energy task force; Annette Verschuren is chairing that, and we've already had a meeting. Part of the goal of the task force is to make sure that people who have been in the industry and have expertise can let us know their views on how we best approach, from a government perspective, highlighting what we do, facilitating what we do, to make it even better and to better position ourselves for an export industry around the province of Ontario. By doing that, we encourage even more longer-term jobs here in Ontario.

We really do have an opportunity there—I think you've highlighted a very important point—and we're looking to exploit that.

Mr. Reza Moridi: Thank you very much, Minister. Minister, as you know, in the 1950s, when nuclear power plants became the technology of the day, the province of Ontario, by the introduction of Candu reactors, became the pioneer of this technology in the world. I'm pleased to hear that now, with the introduction of renewable energy, our province will become one of the leaders in this industry in the world.

My next question, Minister, is about smart grid. Smart grid-technology is relatively new technology. What are we doing to advance this technology in Ontario? Can you elaborate on that?

Hon. Christopher Bentley: Well, it didn't surprise me that you asked—in the preamble to that question, you asked a little bit about nuclear energy, or you mentioned a little bit. We did just celebrate the 50th anniversary, and I know, as a nuclear physicist, you're always very interested in the developments around the world. You're absolutely right: We are world leaders.

Smart grid: A lot of people have been talking about smart grid. To be clear, I don't profess to be the engineer and I don't profess to be the expert. Really, what a smart grid is all about is taking advantage of the technological advances that we've seen around the world in computers, phone technology and digital technology, and applying it to the poles and wires that are used to transport and transmit the power that we generate. Can we do it and can we control transmitting that power in a way that provides us information; that we can do it more effectively and more efficiently, so for less cost; that we can identify challenges, stresses on the system and problems, and fix them before they become a break? Can we reroute electricity around problems? The answer to all those and many other questions is, "Absolutely, yes."

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We have spent a lot of time over the past number of years putting in smart meters. Smart meters really are the beginning of the smart-grid solution, because smart meters are about collecting information that was always there—we just never had access to it—collecting information, putting that together, making it available to a system—and this is where the grid part comes in—that can then operate digitally so that you take advantage of the information and manage the system much more effectively.

Sometimes you hear about issues where a tree has gone down and cracked a line following a big windstorm or an ice storm. Years and years ago, you would need to find out about it first; then you'd need to dispatch the crew; then you'd need to figure out the repair, which might be simple and might not be. Today—and we're just on the leading edge of the smart-grid issue—a control room will know long before anybody calls in. The control room will know. The control room can figure out, to some extent, how to reroute power to many of the homes and businesses affected. Many of those homes and businesses may see next to no break in their power, or a very short break at the same time as the crew is dispatched to make the longer repair. This is the type of power that we now have—we sort of take it for granted on our portable phones, our hand-held devices—as a result of technology. Really, with the smart meter, we've done the equivalent of going from the rotary-style phone to the smart phone, except instead of taking 50 years to do it, we've done it in five.

Some 4.7 million Ontario ratepayers have the smart meter, which is collecting information, which we can use for their benefit, to manage their power use and reduce their bill. We can also use it for the grid's benefit. We do have a smart-grid fund that enables us, through this fund of \$50 million, which is revealed in the estimates—and this is estimates committee so it's probably not a bad thing to talk about something that's actually in the estimates. The \$50 million over four years allows innovators to apply for a grant. It's not often a huge grant, but it makes these very innovative projects possible. These projects are ones that can better utilize information, for example, that's collected by smart meters and turn it to the use of families and businesses in a certain area or allow storage opportunities to be implemented. Storage, as you know, is that huge opportunity that the world is looking at, that we want to be leaders in, and we've got a number of initiatives out there that we're funding through the smart-grid fund, and many more that would like to be funded.

There are a lot of opportunities out there to build on the knowledge we already have with respect to the smart grid and go further. Many of the local distribution companies are already implementing smart-grid initiatives of some sort, and a number have been supported through the smart-grid fund already. We look forward to supporting more in the future.

Mr. Reza Moridi: Thank you, Minister, for that explanation. It seems, Minister, that our investment as a province in smart meters has been an excellent investment in terms of the modernizing and management of our power distribution system and also the management of our power system in the province.

You talked about the status of smart grids in Ontario—the technology is relatively new—and that we are making great progress, as you explained, in that area in the province. So how would you see, again, our role in the future to become a leader globally in the area of a smart-grid system and the electricity industry?

Hon. Christopher Bentley: That's a great question. I think it was three or four months ago that 16 international journalists came to the MaRS centre on a conference that MEDI had set up, and energy was part of it. What they were interested in was what Ontario was doing in terms of the smart grid and smart meters. They had come here from all around the world, and the reason they'd come here is because they knew we were leaders, leaders in so many ways. In fact, the smart meter implementation is one of the largest, most successful implementations of smart meters anywhere in the world—basically on time, on budget, pretty much. The smart meters themselves now present us with a huge opportunity to collect information, but to use it for the benefit of families and businesses.

You might say, "How can I benefit, if I'm a family, from information collected on the meter?" And it's collected on a minute-by-minute basis. Well, we have time-of-use rates. We have time-of-use rates that reflect the cost of actually generating the electricity at different times of the day. So if there is a discount, as there is, for off-peak hours, anything you can do in the off-peak hours cuts your energy cost almost in half, as opposed to doing it in a high-peak time. So if the smart meter is collecting information showing that you're using a significant amount of power in high-peak times, you're going to ask yourself, "Well, how can I switch that to low-peak?" You then combine that with some simple technology such as timers and, where you're able to, you shift so you accomplish exactly the same task at an off-peak time.

How does that affect a business? Well, businesses may have specific production techniques that are very highly energy-intensive, but those techniques may not run 24 hours a day. If a business knows when the particular high-cost period is and they know what is causing a high energy use, they may—not necessarily all the time, but they may be able to shift their production to a lower-cost or off-peak time, or minimize their high-peak consumption. They accomplish the same task, minimize their costs—the same approach that businesses use for every part of the production stage, but the information collected by the smart meter really empowers. It gives us information. At the end of the day, people want to know. They want to know, and they want to know how this information can be useful for them.

Well, what we've done over the past five or six years is put in place this system of smart meters. We've got them everywhere. We're collecting the information, and now the challenge—and it's being met in part through projects from the smart-grid fund, in part through the innovation of the local distribution companies, and in part through the research and the innovators. What we're doing now is figuring out the easy ways of turning this information into something that's of immediate benefit to families and businesses. Let them manage their cost if they wish to do so.

That has, obviously, system benefits. There are huge system benefits from smart meters and the smart grid for all of us, but just for specific families and businesses,

they can take this information that's collected by the smart meters and turn it to their great advantage.

It is one of the areas where we're working really hard, because this is an area that really can help the bottom line of families and businesses very, very directly. There are a number of outfits already out there that do it in different innovative ways, places like Lowfoot and others that take the information and give it to the consumer in an easier-to-use way.

One of the smart-grid projects that is being funded through the smart-grid fund is something that Energate is involved in, and it's really going to empower consumers, about 1,000 consumers to begin with. It's giving them information in a way that enables them to manage, either from in the home or from outside, their energy use, and to reduce their costs.

Mr. Reza Moridi: Thank you, Minister.

You mentioned the smart-grid fund. Could you elaborate a little bit about the status of this fund and what it's all about, the smart-grid fund? What is its function and all of that?

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Hon. Christopher Bentley: It was set up about a year and a half, two years ago. It's a \$50-million fund over four years. Last year, my colleague Minister Duguid issued a smart-grid centre fund up in Markham with GE. That's proceeding.

This year, we just had a round of grants. There were about 20 grants for about a little under \$20 million, different projects all around the province of Ontario. These are decided on a very competitive basis. There were lots more applications than there were grants given out. They are decided through a review process, and it's a very rigorous one, to make sure that the application for funds fits within the criteria of the smart-grid fund, that it's something that has not already been duplicated or done somewhere else, that it's going to advance how you're getting good value for money and that there's going to be some benefit accruing to the province of Ontario in the future—immediately, of course, of jobs, but system benefit to the province in the future. There are a lot of very exciting projects out there. I'm really quite interested in what—

The Chair (Mr. Michael Prue): With that, I thank the minister. We're on to the Conservatives.

Mr. Rob Leone: Thanks, Minister. You kind of gave us a little smile over here that we hadn't asked you any questions on the actual estimates, and I think I did ask you a question on the estimates. I have asked you many questions on the estimates; you just haven't answered those questions. So maybe I'm going to ask a question on the estimates that might allow us to have a discussion here.

I'm flipping through the pages of the Ministry of Energy here in the estimates binder that was issued to all MPPs' offices. I'm wondering where this \$180 million is coming from with respect to the relocation of the Mississauga gas plant. Can you point out the line?

Hon. Christopher Bentley: Thanks very much. There had been no agreement concluded when the estimates were prepared. There was no net crystallized cost at that time. The agreement concluded on Monday between Greenfield South Power and the Ontario Power Authority—that's the point at which the \$180 million of cost that can't be reused, can't be recovered, can't be repurposed, comes from.

As I indicated, the agreement was just concluded on Monday. There has not been a further discussion since that time about where the money will come from.

Mr. Rob Leone: So will we look forward to the Minister of Finance revising his deficit projection this year to add another \$180 million to that?

Hon. Christopher Bentley: Well, as I say, that decision has—we have not had the further discussion. If your party or the NDP has some advice, because I know you both committed to cancelling the plant that was going in Mississauga, as to where you would have taken the money from, I'd be very happy to receive it and to include it in the considerations that will be undertaken.

Mr. Rob Leone: You know, Minister—and this bears repeating; we've said it many times—that we would never have sited that plant in Mississauga to begin with, and you haven't tabled any documents pertaining to why you sited it there to begin with. That was your decision and your decision alone, so this is \$180 million that actually falls on your government and such.

Mr. Tabuns, in his line of questioning, raised an interesting point for me as well with respect to—that this decision was through a Liberal Party press release. I'm wondering, Minister—and I've asked this question before, and whether you can care to comment now—does this simply prove that this was part of the Liberal Party seat-saver program in the last election?

Hon. Christopher Bentley: Well, thanks very much. We had made quite clear when we initially made the commitment during the campaign—"we" meaning the Liberal Party—that it had become clear that locating a plant in Mississauga was not the appropriate way of proceeding, was not going to work—

Mr. Rob Leone: So you're admitting your decision was a bad one to begin with.

Hon. Christopher Bentley: I take it that the PC Party reached the same conclusion, because it was a PC press release of the same day that indicated that a Tim Hudak government will cancel the plant. The NDP followed up two days later with similar comments.

Mr. Rob Leone: So is it the government's position—

Hon. Christopher Bentley: So at the—

Mr. Rob Leone: Sorry; go ahead.

Hon. Christopher Bentley: So at the end of the day, to implement that fact, we are all in—or would all have been in exactly the same position at the conclusion of the election. And then the question is, do you relocate it? That was our position. And do you negotiate hard to achieve the best possible agreement? And that's what we did.

Mr. Rob Leone: I want to ask some questions, Minister, about the relocation of the Mississauga gas plant in Lambton. Is this a retrofit of the coal plant there or is this a new build?

Hon. Christopher Bentley: No, this is going to be a new build. No decisions have been made with respect to the future of the coal-burning facility once it is closed down fully.

Mr. Rob Leone: I'm just curious, Minister: Could you tell us whether it would be cheaper to retrofit the coal plant or build a new one?

Hon. Christopher Bentley: Well, those are independent discussions. The new gas facility will be a combined-cycle facility, as the old plant in Mississauga was proposed to be. So it'll be similar—it'll be the same type of plant, using the same turbines, with the same maximum capacity.

It has, to my understanding, always been anticipated that if the Lambton coal generating facility is closed down and converted to something, it would be a single-cycle plant. They have different properties. Single cycle, as you probably know, has much faster turn-on/turn-off capacity.

But no decision has been made with respect to that and we're taking a look at all the options, including the general system need.

Mr. Rob Leone: So you're saying the coal plant's going to remain open?

Hon. Christopher Bentley: I never said that. I'm not sure where you got that. We're closing coal. We're not putting it on standby, as your party seems to think from time to time. We're closing, we're getting out—

Mr. Rob Leone: But you have put it on standby—

Hon. Christopher Bentley: —it'll be shut down by the end of 2014, no later. I've made that very clear, more than a few times.

Mr. Rob Leone: That's the reason I asked the question. If you're going to close the coal plant in 2014 and you're building a new plant, isn't it just simply cheaper to retrofit the coal plant that's there and save some money? You're incurring \$180 million and we're looking for some sort of accounting and accountability with respect to spending money of that magnitude on the relocation of the Mississauga gas plant. So why can't we choose or why wouldn't we go for a cheaper solution if retrofit does in fact prove to be cheaper?

Hon. Christopher Bentley: There are apples and oranges here. The agreement to relocate the plant was in the best interests of Ontarians. We get the capacity, we get a functioning plant; Greenfield South Power is able to construct and operate a plant, which is what they were intending to do in Mississauga. We've been able to fix the cost at \$180 million for the relocation.

The future of the coal-burning facility is a separate discussion. Whatever happens in the future, coal will be done by the end of 2014. There won't be any more coal generation there. Whether it is converted or whether it is not converted to something else will depend on a whole range of issues. As I indicated yesterday in answer to

some questions after the press conference, they're not the same conversation and they're not transferrable costs.

Mr. Rob Leone: I just want to state, Minister—you said this is in the best interests of Ontario—I think this is actually in the best interests of the Liberal Party of Ontario, not the people of Ontario, who now have an added \$180-million charge, whether through their taxes or through their rate increases, to pay for. I don't think under any circumstance could that be construed as being in the best interests of Ontario.

Now, I noticed that—

Hon. Christopher Bentley: What I was saying, sir, to be very clear, is that once we all made the commitment that the Mississauga plant would not proceed, then the agreement that was reached was the best agreement in all of those circumstances.

Your party, had it had the chance, having committed to cancel the plant, would have been in no better position than that.

Mr. Rob Leone: Minister, I notice that you've transferred the Mississauga gas plant from a Liberal-held riding to a PC-held riding. I also understand that in the particular case of Cambridge, in my riding, the OPA has issued some site requirements for a potential gas plant in that riding, one of which is that the site should be located near the Preston transmission station. The closest site to that Preston transmission station is a site owned by TransCanada on Witmer Street in Cambridge. Does this mean that the government is going to site a new gas plant or move the Oakville gas plant to the PC riding held by myself?

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Hon. Christopher Bentley: No. No decision whatsoever has been made about a further gas plant there or anywhere else.

I hope that when you say that it is being located in a Tory riding, you are saying that with a sense of optimism about the future, because we certainly have had a number of letters from your colleagues—MPP Bailey. In fact, your leader has been on the CBC indicating that he would go to willing communities—and he mentions Lambton—with respect to gas facilities. So a number of the local elected officials down that way seem to have been, over the past several years, quite interested in locating gas facilities in that county and that region. I know when you say we moved it to a PC riding, you're saying that's a good thing.

With respect to your own riding, there's absolutely no decision whatsoever, and we're continuing to assess the needs of the system.

Mr. Rob Leone: I do want to make a brief, brief comment on that, Minister, just before I hand it off to my colleague here. We believe that there has to be proper siting of these plants to locations that have community acceptance, to sites that are the lowest-cost. We have a set of criteria that we use in the siting of these plants. We've asked you to table those siting requirements, but you have refused to do that.

I just want to pass this over to Mr. Nicholls.

Mr. Rick Nicholls: Thank you very much, Mr. Leone. Minister, we know that the gas plant will be relocated to the community of Lambton in southwestern Ontario. That's where I hail from, in that general area. Given the widespread opposition to the gas plant in Mississauga, as you say, and the opposition to your other energy experiments throughout the region, can you tell us what community consultation took place with the people of Lambton prior to making this decision?

Hon. Christopher Bentley: Thanks very much. You can appreciate that for exactly the same reasons, or some of the same reasons, I was saying to the committee that I didn't have a further update during the course of the confidential negotiations. We respected and protected the confidentiality of the discussions.

The agreement contemplates moving the plant and locating the plant on the OPG site, where there has been electricity generation for some decades. It is a coal facility. There have been numerous comments, letters and requests by not only elected officials throughout the county but by your colleagues that further gas generating facilities be located there, either through conversion—or generally an interest in gas plants, whether Oakville or Mississauga.

That part of the world down there has long been known as an energy hub, both through generation, through what's affectionately known as Refinery Row. Recently, I think you've got the largest solar farm—or it was the largest solar farm in North America before; not anymore, I don't think. So it's very much an energy hub, and it is a site that has long been used for electricity generation. And there is a gas plant, as I recall, just down the road near—I'm not sure it's as far as Corunna. I'll have to take a look at the map.

Mr. Rick Nicholls: Okay. Well, I'm glad you didn't mention wind turbines, because that's a totally different issue and a major issue and concern in my area.

Here's something else for you, Minister: Could you offer an estimate of what this new plant in Lambton will cost that includes the \$180-million figure that you gave us yesterday?

Hon. Christopher Bentley: So let's just be clear—and do all the members have a copy of the backgrounder now?

Interjection: Yes.

Hon. Christopher Bentley: Do you? Okay; sorry.

The original contract with Greenfield South Power and the OPA provided a power purchase agreement, and that is that Greenfield South Power would build, on their own dime, construct and operate a gas turbine electricity-producing facility. Their contract is for what's known as a net-revenue requirement that they get from the Ontario Power Authority every month, but they're responsible for the construction. This contract is exactly the same. It's not exactly the same in all of its terms, but it's the same approach. Greenfield South Power builds, constructs—they're operating the gas turbine, electricity-producing facility. They have a contract with the Ontario Power Authority, which is a power purchase agreement where

they get what's known as a net-revenue requirement every month. It so happens that the face amount is a little less than the other one—\$12,400 versus \$12,900—just the face amount. There are some different terms.

The cost of construction is theirs. They build it. We expect that it will be ready in 2017.

Mr. Rick Nicholls: I see. Minister, the Society of Energy Professionals said today that the relocation of the Mississauga gas plant was a decision made on “political expediency.” Southwestern Ontario is already serviced by the Brighton Beach plant in Windsor and the gas plant in Sarnia. Could you please bring forth the documents to this committee demonstrating the need to move this plant to Lambton?

Before you are able to respond to that, I have a press release that came out today, again from the Society of Energy Professionals, and it has stated that, “The government is trying to paper over the mistakes that they made in cancelling the Mississauga and Oakville gas plants,” and this is according to a gentleman by the name of Sheppard. I don't have his full name here. He goes on to say, “Unfortunately their mistakes are being papered over with taxpayer dollars.”

Then he goes on to say, “The government may be portraying this as a simple land swap, but at the end of the day it is a de facto privatization of publicly owned electricity generating assets.” That was Sheppard. He goes on to say, “The other shoe to drop will be the now inevitable closure of OPG's existing Lambton generating station which the government had long suggested might be converted to a gas/biomass generating station, which would have been the cheaper option.”

The article then goes on to say, “Southwestern Ontario is already served by an existing 1,000 MW gas plant in Sarnia and the 540 MW Brighton Beach plant in Windsor. If OPG's existing Lambton coal plant were converted to gas/biomass fuel it could generate between 800 and 1,000 MW, suggesting the new Greenfield Lambton plant is a product of political expediency, not system necessity.”

Again, Minister, my question is: Could you please bring forth the documents to this committee that would in fact demonstrate the need to move this plant to Lambton, despite the fact that this particular press release has been brought forward by the Society of Energy Professionals?

Hon. Christopher Bentley: I very much appreciate you quoting from a press release that I haven't seen. We are talking about a plant that had been contracted as early as 2005 as an independent facility. I didn't think that your party was necessarily opposed to private generation of power, but if that is a new position, I'm happy to hear that, or at least I'm happy to have additional information. I'm not necessarily happy to have the position, but happy to have additional information on that.

What is being constructed or is agreed to be constructed in Lambton is exactly the same capacity, exactly the same type of plant.

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As I was indicating to your colleague a few minutes ago, this plant will be a combined-cycle plant. The conversion—and you're right; we're still taking a look at that possibility—would, as I understand, be of a different type. It would be a single cycle. It has different properties: a little less efficient in the production, but has ramping qualities up and down that are hard to match through others. We're still taking a look at that.

We have lots of transmission capacity there, so we can take advantage of that with both the new and whatever is done with the Nanticoke—with the Lambton, sorry, coal generating facility. So that's very much in question.

As I said before—I mean, I'm just sort of trying to follow the logic of what you're now asking me. Your leader has said on CBC News—I have a quote here from October 5, 2011—“A PC government would go to willing communities like Nanticoke and Lambton, which already have transmission lines and a workforce at power production facilities.” So I might have thought that you would be at least recognizing that locating this gas electricity-generating facility on a site that your leader has said is one we should be looking at would be the cause for some—I guess “celebration” is too strong a word, but some recognition that we were following some suggestions or at least echoing some suggestions that your leader has spoken of. Your colleague MPP Bailey has also said that we should be looking at his area as we consider what's to be done with Mississauga. I believe he—

The Chair (Mr. Michael Prue): I'm going to stop you with that. We're on to Mr. Tabuns.

Mr. Peter Tabuns: Thank you, Chair. Thank you, Minister. Minister, as I understand it, the site that the Greenfield plant was going to be built on will stay in the ownership of the partnership, Eastern Power. Is that correct?

Hon. Christopher Bentley: Yes. They owned it and they still own it.

Mr. Peter Tabuns: They owned it beforehand?

Hon. Christopher Bentley: Yes. It was not a government of Ontario site.

Mr. Peter Tabuns: Okay. Will they be paying the government of Ontario for the land they will be getting in Sarnia?

Hon. Christopher Bentley: Yes, the agreement does contemplate the purchase of the—

Interjection.

Hon. Christopher Bentley: Sorry? —fair market value of the land.

Mr. Peter Tabuns: Okay. Can you tell us the amount of money—

Hon. Christopher Bentley: Can I just have two seconds? Yes, go ahead. Sorry.

Mr. Peter Tabuns: I'm just going to go back. What is the fair market value for the land?

Hon. Christopher Bentley: I don't actually know.

Mr. Peter Tabuns: Could you provide us with that information?

Hon. Christopher Bentley: I don't know if it's part of the contract that was reached between Greenfield South Power, and I'm going to turn it over to the deputy.

Mr. Serge Imbrogno: Part of it would be based on an appraisal that will be done in the future to get the actual fair market value of the land.

Mr. Peter Tabuns: Okay. So at this point, neither OPG nor Eastern Power knows how much that land is going to cost them. Is that correct?

Mr. Serge Imbrogno: I think they're waiting for that appraisal. They probably have a rough idea, based on market value in that area. But the appraisal will set the final amount.

Mr. Peter Tabuns: And the land in Mississauga that Eastern Power owned previously and owns now, at any point was the purchase of that land financed by the government of Ontario, OPA?

Hon. Christopher Bentley: Not that I'm aware of. That was always theirs. As I understand it, it was always theirs.

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: And part of the agreement that was reached is that no gas generating facility will be constructed on that site.

Mr. Peter Tabuns: Okay. The amount of money that Eastern Power gets on a monthly basis per kilowatt hour—so they're paid \$12,400 per month as a base fee for simply existing. Is that correct?

Hon. Christopher Bentley: I'm going to turn it over to the deputy.

Mr. Peter Tabuns: That would be fine.

Hon. Christopher Bentley: It's \$12,400 net revenue requirement per megawatt of capacity every month.

Mr. Peter Tabuns: Oh, per megawatt of capacity.

Hon. Christopher Bentley: Yes. So if there are 300—I think there are 298 point something. But, Deputy, why don't you go a little further?

Mr. Peter Tabuns: Yes, if you could explain—

Mr. Serge Imbrogno: I think the minister had it correct. It would be the \$12,400 multiplied by the capacity of the plant—

Mr. Peter Tabuns: Which is?

Mr. Serge Imbrogno: —which is about 300 megawatts per month. But the contracts have—they're fairly complicated contracts. They have a deeming provision where the net revenue requirement covers fixed and operating costs. But as the facilities are required to run, if they achieve a certain market price, that's part of the contract. As they run and get revenues from the market, that reduces the net revenue requirement.

Mr. Peter Tabuns: Yes, I can understand there may be some complexities in the formula. What are they paid per kilowatt hour for the power they produce?

Mr. Serge Imbrogno: It would depend on how much they run, so it's not really based on a per kilowatt hour; it's based on this deemed provision and kind of a capacity payment to cover their ongoing costs.

Hon. Christopher Bentley: But as you said, if they run and generate electricity and sell it, they'll get a price

back for that. The price they will get is what they could get on the open market, whatever that is, or whoever is contracting to pay for it.

I think what the deputy was saying, and correct me if I'm wrong, is that at the end of the month, if they've earned \$100 by selling electricity—I obviously made up the figure—then you take that away from the net revenue requirement.

Mr. Peter Tabuns: Got it. Okay.

Hon. Christopher Bentley: Because there is a rate of return built into the net revenue requirement, as all their costs are.

Mr. Peter Tabuns: So we can order them to produce power. Ontario can order them to produce power because we need it, otherwise why would you produce power, incur expenses and have your revenue reduced?

Hon. Christopher Bentley: Otherwise, why would you have it?

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Part of their obligation is to be there when we need them, and the IESO determines when we need them.

Mr. Serge Imbrogno: Right, and if they don't run when they're deemed to have run, then they lose revenues. The contract is structured so that there's an incentive for them to run, when it's appropriate.

Mr. Peter Tabuns: Okay, that's fine.

Hon. Christopher Bentley: And this is the same structure as all of these gas plants.

Mr. Serge Imbrogno: That's correct.

Mr. Peter Tabuns: Why did the price drop from \$12,900 per megawatt of capacity to \$12,400?

Hon. Christopher Bentley: That's a great question. Let me take a little stab at it, and then, Deputy, you can.

In the course of the negotiations and the discussions, which were very long and protracted, from the time that the price was arrived at until now, there's obviously inflation. There's the escalation of construction costs. There may be other costs that were lower before. Costs usually don't go down in construction; they tend to go up. That would dictate a raising of the price.

Now, if you go back to the background, there's some equipment that's been purchased and that will be used. There's some planning, and there are some other issues there as well.

Mr. Serge Imbrogno: That's correct.

Hon. Christopher Bentley: There were a number of other issues taken into consideration in arriving at the price, so it's not an easy flow through. That's why I said, in answer to a question, that the face price is a little lower. I'm not necessarily suggesting that you draw from that conclusion that it's cheaper, when you consider all the factors. There's a very complicated series of factors here, and you have to throw them all in. We've had eight to 10 months' worth of very complicated negotiations back and forth with lots of different price questions.

Mr. Peter Tabuns: Is EIG still the financier?

Hon. Christopher Bentley: To my knowledge, they don't have a financier. EIG has been settled out of their lawsuits.

Mr. Peter Tabuns: So they are no longer a player in this?

Hon. Christopher Bentley: I can't speak for Greenfield South Power and any agreement they have. My understanding at the time the agreement was signed is that they didn't have a financier for the project. They'll go out and find one. You need an agreement to find one. Who that will be, I don't know.

Mr. Peter Tabuns: So they have a contract but they don't currently have the money. They may or may not. And is there any consideration that the OPA or the government of Ontario will provide the financing for this?

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Mr. Serge Imbrogno: I think Greenfield would do its best efforts to go out and get financing. The expectation is, like any other generator that gets a contract that has a net revenue requirement going over 20 years, that that is totally financeable in the market. Our expectation is that Greenfield, like any other generator, will get financing, finance the project and move forward. That's the expectation.

Mr. Peter Tabuns: So EIG has completely severed its relationship, then. They're not part of this.

Hon. Christopher Bentley: The reason I'm hesitating in answering your question is, my understanding may be yours, but I'm not Greenfield South Power; I don't have access to their conversations and I wouldn't want to say something on their behalf today that may or may not be the case.

What I know is that the \$88 million in the backgrounder was the net settlement of all the lawsuits and the issues with respect to EIG. You saw the little asterisk at the bottom of it about the principal.

Mr. Peter Tabuns: Yes. The question of supply to Mississauga and Oakville: Has the IESO, has the OPA, gone back and looked at their initial projections that told them that a plant was necessary in this area?

Hon. Christopher Bentley: Let me answer it in this way, and I'll build on the answer I gave you before with respect to Mississauga—and we're confident that we can meet the needs today and in the future. There is constant planning going on, not just for those regions but throughout the province of Ontario. When the decision was taken with respect to Oakville, we spoke, and have spoken about since, of a transmission solution, which means it's generated somewhere else and it's brought in. The IESO and the OPA will constantly plan to make sure that that will happen and can happen. We're confident that it can, and we'll continue to be confident in the future.

Mr. Peter Tabuns: Can you tell me when this solution that you're confident in will arrive on the scene?

Hon. Christopher Bentley: That's a great question, asked in a very clever way. I wish I could tell you when I would have more to report on the Oakville discussions. That's really what you're asking me about.

Mr. Peter Tabuns: You're telling me that there's a transmission solution that's going to deal with the problem you originally saw. You have confidence that that solution will be implemented. In which year will you have confidence?

Hon. Christopher Bentley: It has to be implemented on a minute-by-minute, day-to-day basis, doesn't it? Right now in Oakville, the Halton region, we're able to meet their electricity needs through various sources. We're confident that we'll be able to meet them in the future.

As you know, the supply-and-demand situation has been fluid over the past number of years. As a result of the worldwide economic recession, the demand curve did not recover as quickly as others hoped—we all hoped. Conservation has had a significant effect.

Over the past four weeks, as we've seen, weather events—you asked me the last time about weather events—are an issue. When we sit here in the province of Ontario now at the end of rather high temperatures and take a look at North America, and say: Am I glad we've got all that generation capacity available? You're darn right, I am. Did I think two months ago, when I was answering other questions about potential surplus, that I predicted as hot a four-week stretch as we've had? No, I didn't predict that. But maybe we're into a slightly different time—and that's one of the things that you were hinting at, I think, in your previous series of questions, that we have to be prepared for, and we are prepared for and will continue to be prepared for. So I'm okay with that.

Mr. Peter Tabuns: Can you tell me how many megawatt hours per year this plant is supposed to produce when it's up and running in Sarnia? On average, because I'm sure there will be fluctuation.

Hon. Christopher Bentley: I could calculate out—it has a 300-megawatt capacity.

Mr. Peter Tabuns: Right.

Hon. Christopher Bentley: So if the 300 megawatts run for an hour, it produces 300 megawatt hours.

Mr. Peter Tabuns: Correct.

Hon. Christopher Bentley: And if it ran for 24 hours a day and ran straight without a break for every single day of the year, I could calculate that out. I'm not sure whether gas plants actually do that or whether they'd be overstressed. I suspect not.

Mr. Peter Tabuns: What, on average, are you expecting to be produced out of this plant over the next five to 10 years—per year? How many megawatt hours?

Hon. Christopher Bentley: I'd have to come back to you with that. It will be an education for me, because I'm not sure how you'd calculate that.

Mr. Peter Tabuns: Well, my guess is your system planners have a sense of what their average production will be—

Hon. Christopher Bentley: So why don't I go ask the question and see what they come back with?

Mr. Peter Tabuns: And if you could undertake, then, to provide that information to this committee—

Hon. Christopher Bentley: I'll undertake to ask the question. I don't know what they'll come back with.

Mr. Peter Tabuns: And assuming they give you an answer, you will provide that answer to us.

Hon. Christopher Bentley: Absolutely.

Mr. Peter Tabuns: Mr. Chair, are we running into lunch at this point, or do I have more time?

The Chair (Mr. Michael Prue): No, lunch is at 12:30, in an hour.

Hon. Christopher Bentley: And there was no banana bread—

Mr. Peter Tabuns: No, there was none. It was very, very brutal.

Just on a different subject, the feed-in tariff program: When will it be relaunched?

Hon. Christopher Bentley: Great question. Today, the Ontario Power Authority posted the rules. I expect that within a day or so we'll see the microFIT relaunched.

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: But the rules are there to be seen. We can provide you a copy. Can we provide a copy?

Interjection: The directive is there.

Hon. Christopher Bentley: That's what I said: The directive is there. I might have said it in a slightly different way.

Mr. Peter Tabuns: There were reports in the paper, about a week ago, that Bruce nuclear was not meeting its deadline for restart of its refurbished reactors, and there are significant penalties attached to not meeting that deadline. Have they met their deadlines or are they paying those penalties?

Hon. Christopher Bentley: I can answer the first question. There were in-service dates for the refurbished reactors. They are past the in-service dates for those two refurbished reactors. The contractual issues are being considered and dealt with between the Ontario Power Authority and Bruce.

Mr. Peter Tabuns: So you are not aware of whether the contract is being utilized to impose a penalty at this point?

Hon. Christopher Bentley: Well, I'm aware of a contract and I'm aware of the issues, generally speaking. My understanding is there has not been a conclusion to the discussions about reasons, results, as a result of any contractual and other provisions.

The deputy just wants to add a little bit to that.

Mr. Peter Tabuns: Yes, please.

Mr. Serge Imbrogno: The units were supposed to be on by July 1. Because of that, at this point, the units that are running are receiving the wholesale market price as opposed to the contracted price. The discussions between OPA and Bruce are continuing in terms of whether they accept that there was a force majeure event. But as of this point, Bruce is receiving the wholesale market price for the units that are running, 3 and 4.

Mr. Peter Tabuns: And what's the wholesale market price they're receiving?

Mr. Serge Imbrogno: It fluctuates, but on average, two cents, two and a half cents, three cents an hour.

Mr. Peter Tabuns: What would they have been receiving under the contract if they had met their in-service dates?

Mr. Serge Imbrogno: I think it's in the five or six range, but I can get you the exact numbers.

Hon. Christopher Bentley: It's 6.4 or—

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: So those discussions about the contract are ongoing, as I understand.

Mr. Peter Tabuns: But at the moment, the contract actually is being applied and Bruce is receiving the lower amount?

Mr. Serge Imbrogno: That's my understanding, and I'll confirm it—

Mr. Peter Tabuns: If you could confirm that today, that would be great, because we'll be here for a few hours.

Minister, you announced that you had come to an agreement with SNC-Lavalin and Westinghouse for construction plans, schedules and cost estimates for the new build at Darlington. Can you tell this committee what is being paid to those companies for doing that work?

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Hon. Christopher Bentley: Ontario Power Generation reached an agreement with those two companies, not me. They reached an agreement with them to prepare the various proposals and estimates. Although I am advised that the specific price between the two is commercially sensitive—they had hard negotiations with each—the ballpark total price for the two is less than \$26 million.

Mr. Peter Tabuns: Less than \$26 million?

Hon. Christopher Bentley: The total.

Mr. Peter Tabuns: The total?

Hon. Christopher Bentley: Yes.

Mr. Peter Tabuns: So we're paying each of those companies about, and I'll just split the difference, thirteen million bucks—maybe I'll be generous: \$12.5 million each—to prepare essentially a bid on this new build.

Hon. Christopher Bentley: OPG has determined that the best way to be able to know costs, know construction timelines, know risk so that they can determine whether it's financially the right thing to do, is to get these companies competitively to put together a hard estimate. It is not unusual, I understand, in large construction to get those who would put together such a bid—to provide them with some funds to be able to do that. The \$26 million would be roughly the equivalent of somebody deciding to pay \$50 in market research for a \$20,000 car, depending on how you calculate out what the net cost would be.

So is it appropriate for OPG to ask for two to prepare this? Yes. Was it their decision to pay the two entities to do this research and to get an in-depth, usable product so they'd be in a better position to make a decision? Yes, because, as we've discussed before, these are very-large-ticket decisions and we want to make sure that if a decision is made—if it's decided that we need the power,

if it's decided it's going to be nuclear—we have as good an idea as possible on what the costs are, what the timelines are, so we're better able to make the decision, better able to manage the decision. So they've taken this approach.

We're taking different approaches, having learned from the experience elsewhere on how to better manage both refurbishment and new build costs and construction timelines, and we're implementing—

The Chair (Mr. Michael Prue): I'm going to stop you right there. On to the government, the Liberal Party. Ms. Cansfield.

Mrs. Donna H. Cansfield: Thank you very much, Chair. Thank you very much for the opportunity to have some discussions with you, Minister. As you would know, the first place I'm going to go is conservation.

Hon. Christopher Bentley: Absolutely.

Mrs. Donna H. Cansfield: There's been a lot of discussion around the issue of supply: Why would the supply need to be changed? Why is it going where it's going?

You've already discussed the issue of where it's built, and then there's the issue around distribution. I think it's important, as well, to look at our total supply mix also from the demand-response side and look at the issue around conservation and the work that's been done.

I'm going to ask you some questions that deal with the whole issue around load-shifting, demand-response, going from peak to off-peak, and the work that's been done in both commercial—which I think is really significant—and residential, but a little bit more so.

I'd like to start with that and how that has had an impact on the need to reduce the demand in that particular area.

Hon. Christopher Bentley: And I could have anticipated that that was the first place you were going to go, because you started every speech, when you were the minister, with conservation. I know that—very good leading work.

I'm wondering if you'd mind if I called up Sue Lo, who is assistant deputy minister and really is the authority here.

Mrs. Donna H. Cansfield: Not at all.

Hon. Christopher Bentley: Thank you very much. Sue, you have the question. Fire away.

Ms. Sue Lo: The question is about commercial and industrial programs relating to load-shifting and conservation, right? I have that? Okay.

Mrs. Donna H. Cansfield: Right.

Ms. Sue Lo: Okay. There are a vast number of programs now that have been launched recently. In 2011, though, there was an entire suite of programs, in fact, on conservation launched by the OPA, and those programs are called saveONenergy. They were launched in 2011. Those programs target every sector, so they target the residential and commercial sector and the industrial sector too. In terms of what they do, I'll give you some examples of business programs, for instance.

The business sector is highly complex. It's highly diversified in terms of small businesses, medium-sized businesses and what the businesses actually do. First of all, there are energy audits available to help businesses realize what it is that they use their energy for. Consultants who conduct these energy audits look at the energy needs, the electrical needs in terms of heating, cooling, ventilation and lighting. You'll probably know from your time at Energy that HVAC and lighting systems are the most energy-intensive for any business. In fact, HVAC, I think, is the largest expense in terms of the electricity portion, responsible for about 60%, and lighting accounts for about 30% of any business's use. If you focus on those two elements and design systems that help to make the heating and cooling ventilation systems more effective—the building insulation, for instance, is another huge factor—and then also focus on the lighting, that's what would really help with businesses.

I'll give you an example of one particular case that we had. It was a water treatment facility in Hamilton, and they had a pumping system, so you have motors and pumps and air conditioning systems that need to be changed out and retrofitted. This particular water treatment plant in Hamilton went through replacing inefficient equipment and lighting, and saves around \$400,000 annually now. The \$400,000 actually represents about 20% of their total energy consumption, so that's a huge thing.

I think your question was also related to demand response. So in terms of demand response, businesses, large and small, can sign up for the demand response programs that the OPA offers through their LDC, local distribution company, so businesses have incentives where they can sign up for the demand response programs. By signing up, what they commit is that they will not use their energy during the peak periods, which is most critical to the system's needs, and they shift their use to the off-peak periods, so that's a tremendous benefit to the system.

I should also comment on lighting, because lighting is something that contributes to 30%. So there is a saveONenergy small business lighting program that's currently offered by LDCs. An example of a business that went through a lighting retrofit is a motorcycle shop. I'm giving you small and large examples. A motorcycle shop used a \$1,000 grant from the OPA and Guelph Hydro—this is part of the Power Savings Blitz program—and they replaced their overhead lighting in their workshop, which was inefficient. The grant covered about 80% of installing and purchasing the new lighting and the customer provided the balance, so they did also pay a share. But the total installation time took about two weeks, and now the customer is saving 10% each month, resulting in about a \$70 saving each month, so really worthwhile. These programs and rebates apply to everything from clothing stores to restaurants, drycleaners, medical offices and the very large industries as well.

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Mrs. Donna H. Cansfield: Do you have some idea—I always used to say that a megawatt saved is one you don't have to produce. So how many megawatts have we not had to produce?

Ms. Sue Lo: I can get that for you.

Hon. Christopher Bentley: As I recall, it's already about 1,700 megawatts over the past three to four years—

Ms. Sue Lo: Yes.

Hon. Christopher Bentley: —as a result of the conservation initiatives to date. We have very aggressive targets, as you know, like 7,100 megawatts by 2030, 28 terawatt hours, which, on the basis of current demand, is almost a 20% reduction in our overall use—but already, 1,700 megawatts. Now, that is—well, you know; that's huge. That is absolutely huge.

I think, to be fair, we need to give a lot of credit to families and businesses for really taking the lead on this, taking the good programs that are out there, combining with a lot of good homespun commonsense. They've made these programs work, because that is a huge reduction. We're talking about a 300-megawatt gas plant over here, so that's five of those plus. That is huge, and it underlines what you have always said, Donna, which is if you can save it, you're not paying to produce it. And that is a big saving.

Mrs. Donna H. Cansfield: Thank you very much. I also wanted to chat a little bit about some of the other opportunities that are out there that I think people forget about.

I'll use the GTAA as a really good example. I think their cycle—off-grid plant is about 40, 44 megawatts. I think you should have an opportunity to talk a little bit more about some of those opportunities that are out there or have been taken advantage of.

Hon. Christopher Bentley: Do you want that, Sue?

Ms. Sue Lo: Sure. I can give you some other examples of success stories. For instance, there is the University of Guelph. Their library is called the McLaughlin Library. What the McLaughlin Library did was replace lighting and HVAC systems and reduced their electricity consumption by two million kilowatts a year. That's huge. And they're saving \$180,000 annually. This library is large. It's about 250,000 square feet. It was retrofitted with energy-efficient lighting and new lighting controls in 2008. So that's a huge success.

In terms of typical office buildings, typical office buildings can go through access grants and incentives from BOMA, the BOMA Toronto conservation and demand management program. It's funded by the Ontario Power Authority. A typical Toronto office building can receive a \$50,000 incentive to go through energy-efficiency measures. This particular project, this particular office building, saved 33% of what that building would have consumed, by replacing their air conditioning—HVAC—system. That's also huge. Over a million kilowatt hours per year were saved.

There are numerous examples like this and together, in aggregate, they're really producing quite a benefit to the province and to the system.

Mrs. Donna H. Cansfield: Thank you. We've talked a lot about what's happening in urban areas. I know there's the whole issue around distributed energy, as well, and that's really the small energy and how it can be impacted—or impactful, I guess is a better word, for example to the agricultural and the related industries, i.e., greenhouses and such.

Again, I'd like to have in the record some of the suggestions and opportunities and how it represents that we've been able to save the dollars so that we don't have to produce the energy, and how successful that program has been. I don't know if you want to talk about fuel cells or biomass or Stirling engines. It doesn't make any difference.

Hon. Christopher Bentley: I'll leave it with Sue. Do you want to talk about biomass for a while?

The biomass opportunity is a really interesting one. Europe, for a long period of time, has seen biomass as a way not only of generating electricity but, frankly, dealing with something that's produced through agriculture and other ways. They don't have the land that we have here. They don't have as many opportunities for a landfill. They long ago figured out that they needed to get more creative about their approach to waste. You'll know that Germany, Holland and a number of countries in Europe have long been leaders in terms of biomass.

One of the things that we started in the early days—and you were one of the leaders on this—was to look for opportunities here in the province of Ontario and work with farmers and the farm community to figure out how to use farm substances—biomass and others—in many different creative ways to create not only a way to better utilize them, but also a way to generate electricity.

There have been a number of projects throughout the province of Ontario that we sort of helped kick-start. The feed-in tariff provides a guaranteed rate for approved projects that are biomass or biogas. There are a number of these already. They've taken a little longer to sort of put together than maybe the wind or the solar projects have, but the directive that was posted just today, following up on the feed-in tariff review, provides a good, solid foundation for even more of this activity in the future. I'm really looking forward to the opportunity to see more and more of these bio projects of different types come to fruition and take shape.

As you know, one of the very large projects that we've been working hard on in a different area involves taking wood waste from the forestry industry. Can you take the by-product that we're not otherwise utilizing and turn it into something useful? Pellets have been mentioned; fibreboard and other products, of course, are mentioned, but also electricity is mentioned. A lot of the work has been done by our colleague Bill Mauro, who has Atikokan in his riding, about what happens to that coal generating station when it closes down. We've committed to closing it down. We've also committed, working with

Mr. Mauro and with the mayor, to convert it to bio products, and that very hard work is under way at the moment. That's another way. That's not agricultural waste, but that is forestry by-product.

How do you get more creative? At the end of the day, it all feeds into something that you've spoken about for a long period of time: sustainability. A sustainable society means that we're using what we need to in the most effective and most efficient way possible, so we all get the maximum benefit out of it. We don't have the luxury we might have had decades ago in just discarding things and forgetting about them and not seeing them, because they're with us. Everybody wants to use our resources as productively as possible, and conservation, in all its forms—biomass, biogas etc.—is another way of utilizing what we produce in a very effective, creative way, minimizing ultimate costs to the system in the long term.

Mrs. Donna H. Cansfield: Thank you. One of the things, again, that's been discussed a fair amount is the distribution of the energy and the ability to move from one place to another. If folks have the opportunity, I encourage everybody to go to the IESO and take a look at the Star Wars board, as I used to call it, where they actually track the distribution of the energy across this province and can tell where there's an outage or a problem, and how they interact with the United States because we're very much into a shared relationship, which we've had for many years.

Part of what also has happened in looking at the new gas plants is we've changed from a single cycle to dual—combined heat and power, a whole different approach from what was in the past to what's in the future. Maybe you could speak a little bit about that planning process. Again, much has been said about, "Do you need it? How do you know you need it?" But it needs to be emphasized how this process actually occurs.

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Hon. Christopher Bentley: Your question raises a lot of very interesting issues. There are some jurisdictions that derive all of their power from one source, or almost all from one source. That can have some benefits, unless something goes wrong with the source.

One of the great strengths of the province of Ontario is that we have a number of different sources of power. When one is having maintenance issues or, in the case of hydro—one of my favourites happens to be hydro—when there's a drought in northern Ontario and there's not as much water going to the hydro facilities, we have other sources to draw on. It's very important to have a multiple of sources. It also enables us to look to the lowest-cost source and try to use our sources to minimize costs over the long term. In energy, you're always looking over the long term.

In Ontario, of course, we've long had hydro, a great source, a reliable source, able to turn on and off very quickly—that's really good. We've got some storage capacity in Niagara, for example, and we're looking at other opportunities. We're making some more hydro. We're expanding Niagara Falls, of course, with the Beck

tunnel, which will be huge, taking advantage of the generators we already have and just putting more fuel through them. I know my colleague Kim Craitor is really interested in that and has been there many times. You're taking advantage of the generating capacity you have but effectively using more fuel. What's the fuel? It's water. It flows through; it's just as clean as when it started.

This tunnel will take enough water to generate enough electricity for tens of thousands of homes without actually expanding the generating facility, simply by moving it from the top of the falls and down to the bottom. And, yes, don't worry. The first call on water, as a result of a joint agreement between Canada and the United States, is always the falls. Power takes second place. It's always the falls, which is very interesting.

What other sources do we have? My colleague Reza, my parliamentary assistant, spoke about nuclear power. We celebrated a 50-year anniversary. Ontario, for decades, has had a very strong, stable, clean, reliable and cost-effective nuclear industry. It has been about half of the generation we've used. Our intention is that it will continue to be about half of the generation we use. It runs. It runs reliably. It just runs.

Gas has other properties—

The Chair (Mr. Michael Prue): And with that, it is now an opportunity for the Conservatives to run with the questions.

Hon. Christopher Bentley: Thank you very much.

Mr. Rob Leone: Thank you, Mr. Chair. I want to come back to a line of questioning I started with last time, one that deals with the question of taking responsibility, and the government taking responsibility, for actually siting the plant where they did. I have to reiterate the fact that the opposition parties did not site the plant there; it was the government that did that. Therefore, the government made the \$180 million—to relocate the plant—their own mess.

As well, I noted before, Minister, that your response seems to be, "I wasn't the minister at the time. Therefore, I shouldn't take responsibility for that." But I don't think that answer really satisfies the people of Ontario. I think they want to know exactly who's going to be held responsible for the siting of the plant where it was sited. I know you weren't the minister at the time, but there was a Minister of Energy and that minister was a member of your party, and you have become the successor of that minister. Why are there two different rules of thumb here? Why does David Caplan get the boot for eHealth but Bentley doesn't get the boot for Minister Duguid's bungling of the siting of the Mississauga plant?

Hon. Christopher Bentley: Well, thanks very much for the question. I do appreciate that. You know, we've been very open about this. We said last September that as a result of very significant community pressure, advocacy and determination, both in Mississauga, Etobicoke and surrounding areas, building a plant, continuing with the plant at that site was just not the right option, and we committed, should we be elected, not to proceed with it.

I know that it was under our government's watch that the original contract was signed. That's quite clear. There was a rush—not a rush; there was a determination in the early years, 2003, 2004, 2005, 2006, to get as much generation up as we possibly could. We didn't have enough. You'll remember the brownouts in 2002-03. You'll remember that notwithstanding increasing the amount of coal generation up to a quarter of our production, our actual capacity to generate electricity had gone down just under 10%, at the same time the population and the demand had increased 10% under the previous government's watch—not a good direction. So we brought on the generation that was needed, generation that has been used, by the way, over the past four weeks to make sure we—

Mr. Rob Leone: Minister, I'm asking you the question of why there's a double standard between Caplan and yourself in dealing with a decision that's costing hundreds of millions of dollars. The situations parallel each other, and the people of Ontario are looking for someone to take responsibility for the decisions that your government has made. No one seems to be coming forward and saying, "I made a mistake," and taking responsibility for those actions. I'm wondering why, Minister, aren't you taking responsibility for those decisions, because you are now the Minister of Energy, on the original siting of the Mississauga gas plant, which was your government's siting?

Hon. Christopher Bentley: We've been very clear: We said that, as a result of the position of the community in Mississauga and the surrounding area, we were not going to proceed with—the same position your party took and the NDP took.

Mr. Rob Leone: But it was your decision to put it there.

Hon. Christopher Bentley: We're going to relocate the plant. That's what we've done. As you can see from the backgrounder, we've been very clear about the cost. It's \$180 million.

Mr. Rob Leone: Mr. Arnott?

Mr. Ted Arnott: Minister, I'm pleased to have this opportunity to ask you a few questions. I want to continue to focus on the announcement that the cost of relocating the Mississauga gas plant is \$180 million. You said facetiously in a previous round that some might be celebrating the decision to relocate that facility in Lambton. I can assure you that no one in the opposition is celebrating. The people in Wellington-Halton Hills will be aghast to learn that \$180 million of taxpayers' and/or hydro ratepayers' money will be expended to—

Hon. Christopher Bentley: At no time did I suggest in any way, shape or form that that was a cause for anything that you just said. I said the relocation of the plant to Lambton—that's what I meant; that was very clear. It was also very clear from the quotes that I read from previous Tory members.

Mr. Ted Arnott: I go back to the decision that was taken just days before the writ period was actually initiated. In an effort to apparently save at least one

Mississauga Liberal seat or perhaps others, the decision was made to cancel the plant. We initially asked questions about what the cost would be. We speculated that it might be in the hundreds of millions of dollars. That has now been confirmed.

Hon. Christopher Bentley: I think at one point you speculated it was going to be a billion.

Mr. Ted Arnott: Well, if you think \$180 million is a drop in the bucket, you'll soon find that that is not the case—

Hon. Christopher Bentley: I don't, not for a second. I never suggested that.

Mr. Ted Arnott:—and the people of Ontario will not find that that's the case either.

I'm going to ask you this question. I assume, even though you weren't the minister at the time of the decision—and I understand you have said publicly that, in fact, you learned about it in the newspaper, so there apparently wasn't a cabinet discussion that you were aware of or privy to.

I'm going to ask you—because I assume that you've been thoroughly briefed on the decision since that time; I anticipate that you've had a lot of questions, probably in your initial briefing, as to what was going on with that decision—what was the role of the Liberal candidate in Mississauga South in the decision to cancel the Mississauga gas plant?

Hon. Christopher Bentley: We've been very clear on the position that we took when we announced that it was our intention, should we be re-elected as the government, to relocate the plant. I note that your party issued a press release the same day indicating the same intention. I am assuming that your intentions were not with respect to gaining a seat, but with respect to the appropriateness of locating the plant in that location in Mississauga. I'm assuming that when the NDP issued their press release or made their comments two days later that they wouldn't build the plant, it wasn't for the purpose of gaining a seat; it was for the purpose of responding to a community position. But if that's different, I remain to hear about that.

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Implementing that decision has meant a number of actions that we took since then, including a lot of discussions and decisions. We're putting together and we'll be releasing documents relating to those that are not otherwise covered by solicitor-client privilege. You'll be able to make the determinations as you wish from the documentation.

Mr. Ted Arnott: Did the Liberal candidate in Mississauga South speak to you or, to the best of your knowledge, did he speak to your predecessor prior to the decision? If so, what did he inform you of?

Hon. Christopher Bentley: Speak to me when, and what about?

Mr. Ted Arnott: About the decision to relocate or to cancel the Mississauga gas-fired electricity plant.

Hon. Christopher Bentley: And when would that have been?

Mr. Ted Arnott: Can you tell us what your conversations with him have been since you've been the minister? Perhaps you were privy to the fact that he was concerned about it prior to the election; I don't know.

Hon. Christopher Bentley: I get lots of people having conversations with me about lots of things. There is no doubt that the Mississauga gas plant issue is something that I've been aware of, and I'm aware of the negotiations between the Ontario Power Authority and Greenfield South Power. He has not been part of those negotiations, nor has any other member. The negotiations speak for themselves in the resulting agreement. Whatever statements anybody has made publicly are out there to be made publicly. They'll live by those discussions, and I know that there were—I anticipate; I don't know, because I wasn't following—comments in the press for all the candidates for that particular riding or any other at the time, leading up to the press release that was issued on the 24th of September.

Mr. Ted Arnott: Did you ever play hockey, Minister? You're doing a good job of ragging the puck. I have to compliment you on that.

Hon. Christopher Bentley: I don't think it can be suggested that anybody who has got 15 hours' worth of estimates and has been either here or on call for what seemed like dozens and dozens of days can be ragging the puck. Even hockey games, even with stop action, come to a conclusion after 60 minutes. I did play hockey as a kid.

Mr. Ted Arnott: That's okay. We don't need to hear any more about your hockey career.

Hon. Christopher Bentley: On the Mississauga issue, I have been available and answering questions from the moment I became the minister. Yesterday, I was pleased to be able to announce that I was in a position to provide a report with respect to the Mississauga matter. As you have seen from the material and the documentation you'll be receiving with respect to this, there'll be lots of information to talk about, but we have indicated very clearly that the cost of relocating the plant is about \$180 million. There's an outline of those costs there, and no doubt there will be details later on.

Mr. Ted Arnott: Did the Liberal candidate in Mississauga South, to the best of your knowledge, send emails, faxes, letters—any correspondence to your predecessor concerning the Mississauga gas plant, or has he sent any to you? If we could ask that those be shared with the committee.

Hon. Christopher Bentley: I don't know of any that were sent to me.

Mr. Ted Arnott: I have to ask about the role of the Liberal campaign team in the decision to cancel the Mississauga gas plant. Are you aware of any correspondence—

Mrs. Donna H. Cansfield: Point of order.

The Chair (Mr. Michael Prue): Excuse me; we have a point of order. Yes, your point of order is?

Mrs. Donna H. Cansfield: I was just curious about the questioning about the Liberal Party as really being a

part of the minister's responsibility in estimates. I don't think they're the same. One is to deal with the Liberal Party, which is quite separate from this committee's responsibility, which is to question the minister on the estimates from his ministry.

The Chair (Mr. Michael Prue): No. This is broad and free-ranging. Mr. Tabuns asked questions on this very same point of view—

Mrs. Donna H. Cansfield: And I was going to raise it there, but he stopped.

Mr. Peter Tabuns: I'll restart.

The Chair (Mr. Michael Prue): But the minister also has responded, pointing out that it was a Liberal Party announcement. He was the one who said that it was a Liberal Party announcement to start it. I don't know how you stop the question, other than: The minister is very deft at handling that puck.

Hon. Christopher Bentley: Gosh, I'm not sure how to take that, Chair, but thank you very much. I wasn't part of that decision.

Mr. Ted Arnott: So again, what was the role of the Liberal campaign team in the decision to cancel—

Hon. Christopher Bentley: I can't answer that. I wasn't there. I wasn't part of it.

Mr. Ted Arnott: Well, we have to—I mean, people listening will assume and conclude that it was the Liberal campaign team that initiated the decision resulting in the \$180-million penalty to the people of Ontario.

Hon. Christopher Bentley: When the issues surrounding the decision to work to relocate the gas plant were announced in our press release, were confirmed in your press release, were confirmed by NDP comments within the space of about three days—I think the people of Ontario can draw whatever conclusion they wish to draw, one of the conclusions being that we were all making exactly the same commitment at exactly the same time and would have been in exactly the same position when the election was done. What we have done over the last eight, nine months is to bring that—

Mr. Ted Arnott: Are you suggesting it was our political party that made the decision to site the plant in Mississauga in the first place?

Hon. Christopher Bentley: That's not what I said, and you know it. What I was able to announce yesterday is the conclusion of the discussion.

Mr. Ted Arnott: What was the role of the Premier and the Premier's office in the decision to cancel the Mississauga gas plant?

Hon. Christopher Bentley: You know what? I've already answered the question.

Mr. Ted Arnott: You have not.

Hon. Christopher Bentley: I've answered the question.

Mr. Ted Arnott: You can't stall around it. You've skated all around it.

Hon. Christopher Bentley: I told you what I know.

Mr. Michael Harris: All right. Minister, thank you. Yesterday you actually were quoted in the Globe and Mail as saying, "Last year, after listening to the commun-

ity's concerns, our government made a commitment to residents in Mississauga and Etobicoke to relocate the Greenfield South Power natural gas plant." What specific concerns raised by those residents convinced your ministry to cancel this project? As a follow-up, because I know we'll drag this one out, how on earth, through that process or the environmental site plan assessment, did they miss those concerns?

Hon. Christopher Bentley: You've mentioned the approval process. There is a fairly lengthy approval process at a number of different stages, without going through the details, unless you wish me to, that took place, in this particular instance, over a number of years. As that came to a conclusion, as it became clear that there was going to be a plant located on this site, my understanding is that community comment, however you characterize that, built quite significantly and continued to build. As the press release and subsequent comments have indicated, we responded to the wishes of the community in the surrounding area and took the position that we did.

Mr. Michael Harris: Thank you. You know, Minister, obviously, paying \$180 million to relocate a power plant is a big price to pay to save Liberal seats. In my community of Kitchener–Waterloo, 20,000 people are without a family doctor. I want to just run out some stats in terms of what \$180 million could in fact pay for, to provide help for those 20,000 folks in my community of Kitchener–Waterloo. It would provide, in fact, 900 extra doctors in the province of Ontario. It would buy 3,144 first-year nurses in Ontario. It would employ 2,100 nurse practitioners throughout the province—6,000 cancer treatments at \$30,000 each. In fact, that amount, when we're talking about estimates, nearly equals the amount needed to operate the Ministry of Citizenship and Immigration, as well as the Ministry of Aboriginal Affairs. How can you justify this to Ontarians, wasting \$180 million?

Hon. Christopher Bentley: Thanks very much for the question. I've been very upfront about the costs. I've outlined them yesterday. They are costs of fulfilling the commitment that we made yesterday that was echoed by your party and the NDP, and those are the costs of the relocation.

Mr. Michael Harris: Again, just for the record, I want to state that our party's intention was never to build this plant at this site in the first place. You keep referring to that.

You said before in this committee that the Mississauga and Oakville sites were chosen because there was a demand for power in the GTA. What happened to that demand? Is there no longer a demand for power in the southwest GTA?

Hon. Christopher Bentley: I'll answer the question, and there are at least two approaches. The demand question, overall, we've addressed earlier in conversations at this committee. We plan for the demand in the province of Ontario on a regular basis. The IESO and the Ontario Power Authority regularly plan to make sure that we

meet the needs, brought on a number of different generators in the early years throughout the time—since 2003—to better meet the demand, to be less reliant on imports, or brownouts.

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Obviously, it is always, no matter what you're talking about, a factor to consider as to whether you have the ability to meet a demand located close to the load. That's always an issue; something you take a look at.

Are we able to meet the demand in Mississauga, in this part of the GTA, on the basis of what we have available today and into the future? Yes. Are we determined to continue to do that? Absolutely, yes. Do we still require the plant? Yes, we do, and that's why we've proposed to relocate it.

Mr. Michael Harris: Will there be more costs, in fact, or investments to provide power through transmission lines because of this relocation?

Hon. Christopher Bentley: No. We have transmission already available, as you know, from the Lambton generating site because it's been used to generate electricity through coal for a long period of time. We are not generating as much coal-fired electricity from Lambton as your party did; more historically was used and therefore the transmission capacity that would otherwise have been used by coal is available for other purposes. That's my understanding.

But be clear: We will continue to make investments in the transmission infrastructure throughout the province, which for many years had not received the investment it needed, to make sure that it is reliable and serves the needs of the people of the province of Ontario.

Mr. Michael Harris: I'll pass it over to my colleague Ted Arnott.

The Chair (Mr. Michael Prue): You have about a minute and a half.

Mr. Ted Arnott: Just a moment ago, I wish to inform the minister, I received an email from one of my constituents who lives in Erin, and he says, "Hi Ted. If you like give this ... to the Premier. The power plant in Mississauga makes me want to throw up." That's the first email I've received on this issue.

Again, I think the committee's entitled to a fuller explanation than we've received so far.

Hon. Christopher Bentley: Thank you very much.

The Chair (Mr. Michael Prue): No more questions? All right, then we will go on to Mr. Tabuns.

Mr. Peter Tabuns: Thank you, Chair. Just to reiterate, Minister, I understand from your comments yesterday and recent comments that the reason for cancellation of the plant was that the public in the area rejected the plant. Is that correct?

Hon. Christopher Bentley: Increasing public and community opposition in Mississauga and the surrounding area, yes.

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: That's a brief summary, unless you want me to give a much longer—

Mr. Peter Tabuns: No, that's fine. That's the argument that's been put forward.

At the time, last September—there are some reporters in the room who may well have been around for the announcements—there was a statement made that construction of condominium buildings and other factors had changed the air pollution impacts from these plants. Are we to assume now that that argument was of no consequence, that in fact it was an empty argument?

Hon. Christopher Bentley: No. That's one of the factors, one of the changes that had happened since the time the plant was originally contracted that I suspect—I wasn't on the ground at the time; I don't know—gave rise to increasing community comment and consideration. The community expressed, as I understand it, itself in many different ways. There were many different comments and some of those mentioned the changed residential landscape in the area since the plant was originally contracted—not all of them, but some of them did.

Mr. Peter Tabuns: So what is the break point for this kind of decision? I went out to York region when those people were organizing against their plant, and they were hopping mad, I have to say. There was a big movement, strong opposition from across the community, and yet that plant went forward. What was qualitatively different in Mississauga?

Hon. Christopher Bentley: I think you raise an interesting issue, an interesting question, and you make reference to an interesting challenge. Every situation will have its own facts. You'll remember the York issue started out as a transmission approach. The first—

Mr. Peter Tabuns: Oh, I know the history.

Hon. Christopher Bentley: But this is important. You need to meet the demand for our electricity, so you either bring it in from somewhere else or you generate it close by.

There was a discussion initially about a transmission solution. The community spoke very loudly about the possibility of a transmission solution. It made its views very clear, so that solution was out. That leaves either not meeting the needs of the community or a generation solution. You're left with no choice, so you have a generation solution. That really, in a very short way, is where you end up with respect to the York situation.

With Mississauga, there is the ability to bring it in, and that's what's being done at the moment and will be done into the future.

Mr. Peter Tabuns: So what's the threshold you have to reach to stop the plant from being built?

Hon. Christopher Bentley: As I say, I think every situation is different and decided on its own facts.

Mr. Peter Tabuns: And these facts were not apparent to decision-makers prior to shovels being put in the ground?

Hon. Christopher Bentley: You know, I can't—what I can say is what was contained in the statement on 24 September and moving forward. I think every situation is going to be a continuum and have a large series of considerations.

There will be few energy projects that are conducted in the province of Ontario in which somebody doesn't have an objection; I'm unaware of any in my tenure. Maybe there has been one in the history of the province which doesn't have somebody objecting to something; either it's creation or it's non-location or it's transmission. So it's obviously a continuum of issues about how you meet the needs and what's the best way to meet the needs and how you listen to, understand and respond to community comment.

Mr. Peter Tabuns: So why is it that you didn't notice the rejection prior to the construction getting under way?

Hon. Christopher Bentley: I can't respond beyond what I already have in a number of different—I can't add anything else to what I've said already.

Mr. Peter Tabuns: The decision to not proceed, was that at any point reviewed with the cabinet prior to this matter being concluded?

Hon. Christopher Bentley: Well, I won't speak to specific cabinet discussions. I don't think I'm entitled to do that. What I've said all along is that there have been confidential discussions going on—there were confidential discussions going on; there aren't at the moment—between the Ontario Power Authority on the one hand and Greenfield South Power on the other with respect to relocation and related matters, and that they reached a conclusion. That's the report I made yesterday. That was the agreement that was reached Monday.

Mr. Peter Tabuns: So this was not a cabinet decision to cancel?

Hon. Christopher Bentley: The decision to contract was an Ontario Power Authority decision. The conclusion was an Ontario Power Authority decision. The Ontario Power Authority was at the table the whole time, and in the documents, you'll see much of the history of this—the documents I think that are being prepared that are not solicitor-client privilege.

Mr. Peter Tabuns: So are you telling us that the OPA independently decided to cancel this plant a few days before a provincial election?

Hon. Christopher Bentley: I think you will see the decision-making authority and you will see the history as this tracks through.

Mr. Peter Tabuns: That doesn't really address my question. The OPA approved this plant and then later was told to cancel it, or decided on their own to cancel it?

Hon. Christopher Bentley: I think I'll leave that to the documents. The Ontario Power Authority has been at the table throughout. The Ontario Power Authority is making decisions about this, and the Ontario Power Authority reached the agreement with Greenfield South Power. It was, no question, a commitment of our party in September that it was our intention, if re-elected as the government, not to proceed with the construction of the plant and to work to relocate it. That was no question. That was our commitment in September. There's no question about that. I think that's very clear.

The Chair (Mr. Michael Prue): I'm going to stop you there because it is 12:30, and we have half an hour

for lunch. Lunch is provided to all of the members of the committee and all of the people, I assume, who are in the room—

The Clerk Pro Tem (Ms. Tonia Grannum): Just staff.

The Chair (Mr. Michael Prue):—just committee staff, in committee room 1. Please make every effort to be back here at 1 o'clock.

Interjection.

The Chair (Mr. Michael Prue): Yes, we can leave everything here. If we are back at 1, we can actually be out of here by 4.

Mr. Rob Leone: The next ministry will be the next—

The Chair (Mr. Michael Prue): Next, yes.

Okay. The meeting is recessed for lunch until 1 o'clock.

The committee recessed from 1231 to 1302.

The Chair (Mr. Michael Prue): We'll call us back to order. It's a couple of minutes after 1. Thank you, everybody, for being prompt coming back.

Mr. Tabuns, you have approximately 12 minutes left.

Mr. Peter Tabuns: Minister, just before we broke for lunch—the Liberal Party made a decision before the election, made a promise; the OPA had authorized the construction of this gas plant, had authorized the contract with Eastern Power. When did the OPA decide to cancel this contract or relocate this plant?

Hon. Christopher Bentley: We made the commitment during the election campaign. When we were re-elected, we worked to fulfill the commitment. The OPA made its decision to work to relocate the plant after the election was concluded, and the documents, I think, will outline the specific date.

Mr. Peter Tabuns: So, will you be providing us with the minutes of the OPA meeting in which the decision was made?

Hon. Christopher Bentley: My recollection is that there will be documents and correspondence outlining the position of the OPA.

Mr. Peter Tabuns: And can you tell us why the OPA decided to cancel this plant?

Hon. Christopher Bentley: The OPA documents and their position will speak for themselves. We made a very clear commitment during the campaign, and when we were re-elected it was obviously our expectation that we would implement that commitment. The agreement the other day indicates that we fulfilled that commitment. So it won't be surprising that after the election campaign that it was our intention, that I expressed publicly on a number of occasions, that we work to fulfill the commitment that we made. But, as I say, the documents will speak to the specific dates about the issue.

Mr. Peter Tabuns: So, in the end, the OPA approved the plant. The Liberal Party made a promise to cancel a plant that they'd previously supported, approved, as a government. They were elected, and they told the OPA, "You have to cancel construction here; you have to move it." They were given a political decision to implement. They weren't following their planning guidelines; they

were just simply told, "We're the government; we've made a commitment that we're going to do this. Cancel this plan."

Hon. Christopher Bentley: Thank you for that. No.

Mr. Peter Tabuns: No, eh?

Hon. Christopher Bentley: We made a specific campaign commitment during the course of the campaign—

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: If elected, it was our intention to work toward the relocation of the Mississauga gas facility, which has been concluded. The OPA made the specific decision. They have been negotiating and discussing with Greenfield South Power for some period of time now—a very long period of time. The OPA has concluded the agreement, just on Monday, with Greenfield South Power—

Mr. Peter Tabuns: Sorry. Prior to the election of 2011, did the OPA indicate—

Hon. Christopher Bentley: No, no. I said that after the election was concluded, it was our commitment during the campaign that, should we be re-elected as the government, we would work to relocate the Mississauga gas facility. It was our commitment not to pursue a gas-fired facility in Mississauga on that site. After we were re-elected, it was our stated intention—it was public a number of times—not to proceed with the Mississauga gas facility; to work to have it relocated. The OPA expressed their intentions to the proponent, the other party, Greenfield South Power. They worked very hard, the two of them, over the number of months since then to conclude the agreement.

Mr. Peter Tabuns: It's now clear the OPA wasn't acting autonomously. They had been given instructions initially to approve the plant and set up a contract. After the election, they were given instructions to wind things up on the Mississauga site. Can you tell us, because I assume that you have been intimately involved in this process: Were you told, as Minister of Energy, to tell the OPA to cancel this plant after the election?

Hon. Christopher Bentley: I'll let the documents speak for themselves. It was absolutely our intention, should we be re-elected as the government, to proceed to implement the commitment that we'd made during the course of the election. It was absolutely our intention to do that.

Mr. Peter Tabuns: Minister, I'm not asking for any great secret. You were appointed Minister of Energy after the election. We agree on that fact. You talked to the OPA and said, "This plant can't go ahead in this location." Is that correct? Did you tell them that?

Hon. Christopher Bentley: There was correspondence going back and forth, and I outlined, in some of that correspondence, our government's commitment during the campaign and our determination, because of the position of the residents of Mississauga and the surrounding area.

Mr. Peter Tabuns: Did you take it on your own to do this, or did someone tell you to do this?

Hon. Christopher Bentley: It was a very clear commitment that our party had made during the campaign. It was clear that, during the campaign, we made the commitment. We ran on the commitment, and it was our determination to fulfill the commitment after the campaign. I was certainly anxious that we fulfill our commitment; absolutely.

Mr. Peter Tabuns: Minister, you've been very vague about who has made this decision. Why are you not forthcoming with the committee? Are you protecting someone?

Hon. Christopher Bentley: No.

Mr. Peter Tabuns: If you're not, who—

Hon. Christopher Bentley: It's pretty clear. We issued a press release as a party. There was a press event as a party. We ran on the issue as a party. The commitment was that, should we be re-elected, we would work to do certain things that we certainly work to do. I spoke in the House and outside the House about these matters many, many times. I just reported the other day that we'd fulfilled the commitment that we'd made during the election campaign. We've been clear, transparent and open about that from the very beginning. We fulfilled the commitment.

Mr. Peter Tabuns: I have asked you earlier today: Whose decision in the Liberal Party was it to say, "We are going to cancel this plant"?

Hon. Christopher Bentley: It was a campaign commitment, like all campaign commitments. Some were contained in the platform; some were rolled out during the course of the campaign. This one was made during the course of the campaign. If you go back through the history of this last campaign, you'll see that a number of parties made different commitments during the course of it that may or may not have been contained in their campaign document platform, including about this plant. That's what we proceeded to implement. We ran on it. We were very clear about it.

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Mr. Peter Tabuns: So why won't you say who, in that election, made the decision to cancel this plant and incur penalties, unknown at that time, but which so far have been determined to be \$180 million?

Hon. Christopher Bentley: I don't think anybody can reasonably take the position that when you make a decision like this, it's going to be easy or it's going to be without challenge. I don't think anybody could have said that.

Mr. Peter Tabuns: Yes, but which buddy did this?

Hon. Christopher Bentley: All three parties—

Mr. Peter Tabuns: Sorry; you actually were the government before the election and you are after—

Hon. Christopher Bentley: I don't think I can add too much to what I've said. It was a campaign commitment that was out there in a press release. There was a press event. There were public statements about it. We ran on it and we proceeded to implement it. I had been the Minister of Energy. I had been working to implement that commitment. There is correspondence and there are

documents. The OPA had signed the original agreement. The OPA has been at the table and they signed the subsequent agreement. But be clear: I've never said anything else. We made the commitment as a party that if we were re-elected as the government, we would implement the commitment. That's what we've done.

Mr. Peter Tabuns: Minister, in the course of making this commitment to save these seats, did you ever contemplate that this should be an election expense for your party, \$180 million? You made a very big promise—

Mr. Vic Dhillon: All parties make—

Mr. Peter Tabuns: May I say, Mr. Dhillon, you're not on the speakers' list.

Interjection.

Mr. Peter Tabuns: You're not on the speakers' list, Mr. Dhillon.

The Chair (Mr. Michael Prue): Mr. Tabuns has the floor.

Hon. Christopher Bentley: If you've concluded your question, all parties have made commitments in every election campaign. Your party made a number of campaign commitments, both before and during, and those campaign commitments outline your position that you'll implement, should you become the government. That's what our party did. The discussion as to how the costs will be allocated among Ontarians has not yet been taken up after the agreement was concluded. That there would be costs of relocation would have been clear to every single party that made the commitment—every single party: your party, the PCs and ours.

The Chair (Mr. Michael Prue): You have approximately one minute of question and answer.

Mr. Peter Tabuns: Just quickly: When the OPA got their orders to cancel this location, did they have any objections?

Hon. Christopher Bentley: I think you'll see from the correspondence what transpired. It would have been apparent to everybody that we had made a commitment during the campaign and that it was our commitment to proceed with the commitment, should we be re-elected. That is something that we said to the people of Mississauga, Etobicoke and the surrounding area and the people of Ontario that we were going to do if we were re-elected. We ran on it. It was made before election day, so it was clear and it would have been clear to everybody.

Mr. Peter Tabuns: And so the OPA had no commentary—

The Chair (Mr. Michael Prue): I'm cutting you off there. It is now the turn of the government.

Mr. Kim Craitor: Minister, I just have a question which is near and dear to me, and that's regarding the Niagara tunnel. We affectionately call it Big Becky.

Before I ask my question, I just want to share a couple of comments with you, Minister, and I'd like to have them put on the record. That's why I'm doing that. I want to let you know that about two or three weeks ago—and I thank your office for this—I received a phone call asking me if I could represent you at an event outside of my riding because you weren't available, and it was to do

with jobs. I will go anywhere when there's an opportunity that creates jobs. I had the pleasure of visiting Beamsville, which is not in my riding, and I had the pleasure of meeting a company that was spending \$5 million opening a plant there which was going to employ 50 people to start with. The purpose of the plant was wind power and electronics.

I had the opportunity to meet with the CEO, who explained to me quite clearly, when I asked him the question, "Why would you be locating here in Ontario?" He said, "It's pretty simple. Number one is the Green Energy Act. Number two is that the requirement in the act is that you have a certain percentage of the product produced here in Ontario. Thirdly," he says, "this is a great location." He said, "The Niagara region is a great location." We know that the region of Niagara wants to become known as the wind power—economic development for Ontario. The region itself, with Gary Burroughs, who's the chair, has been leading that charge.

About two weeks later, I received another call asking me if I would attend an event at a former plant that closed, called Hayes Dana. It was sad to see it close. I remember working there when I was a kid. It had been sitting there idle, and a company from China came in and was spending \$15 million and had bought the entire plant and all the land associated with it. They were in the process of hiring 100 people to start with, and they were going to be producing wind turbines. They've been in the business for years. The mayor of Thorold was there and just ecstatic, saying, "This is the future. This is the new industry, and I'm proud that the government"—I'm quoting him—"went forward with the Green Energy Act. For the people of Thorold, this is just a great day." The regional chair was there as well, and there were a number of economic development officers who were there from Niagara Falls, from Fort Erie, from Thorold. They were all there, saying, "This is a great day."

When I had a chance to speak with Chris—he's the CEO—I asked him the same thing. We were talking. I said, "Why did you choose here?" He said, "It's the Green Energy Act. You're making the right decision. Secondly, we have to locate in Ontario. That's part of the condition."

He explained to me that this was the first phase, and he expects that they will be hiring probably another 100 more and that they'll be investing millions and millions of dollars more, in addition. He also explained to me that a lot of their product that they're going to be producing is leaving Ontario. It's not that it's all being utilized here, but it's leaving Ontario because they are distributors worldwide.

I tell you that because I had a chance—this is the highlight of both events—to actually meet people who had jobs. I remember talking to this lady—that was the one in Beamsville. She didn't know who I was; we just started talking. She was saying to me, "This is a great day. My husband lost his job about six months ago, seven months ago. He was working in industry. He has a job, and this is

a really good job, so we're just so ecstatic that this is happening."

Hayes Dana: I met a number of the people who had lost their jobs when the plant had closed. Some had gone back to Mohawk College. Some were at Niagara College, because they're now offering training programs. Niagara College explained this to me. They're saying that they realized this is a highly skilled job, whether it's to do with solar power or wind power, and now it's going to require certifications. So they're now putting together a curriculum to offer training programs with the certificates.

Both of these companies said to me the same thing. They said, "The problem you're going to have is that you're not going to have enough workers." They both said to me, "You'd better get yourself prepared by making sure your educational system is in place to get these workers trained, because we're going to need them."

I just wanted to share that with you. That was a good day, and it was good to see people who, unfortunately, had been out of work, working.

Hon. Christopher Bentley: Thank you.

Mr. Kim Crait: The Niagara tunnel: I've had this question asked of me a number of times, and I know the answer, but I think it's just important that we have it from yourself and we put it on record. It has been asked of me about the additional capacity, because I think it's something like 160,000 more homes or 200,000 more homes because of this additional electricity. People are questioning me, "Can we utilize that electricity? Are there transmission lines in place? Can it be moved around? Because we know it doesn't always stay in our community." I've been reassuring them, "Yes." I think I said that we've spent a lot of money putting in additional lines, but I thought it would be good coming right from your ministry, just to confirm that the electricity will be used and there's a need for it and that it'll be moved throughout Ontario.

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Hon. Christopher Bentley: You're absolutely right. First of all, thank you for sharing the jobs-related events that you went to. It's good to hear first-hand what the experience of people in different communities is and has been, and it's good to hear first-hand that what we hear at a very high level, actually, is having an effect on lives. It was nice to hear from the community member, through you, about that. Thanks for doing that.

Big Becky: What a fascinating project. You're right; it's going to provide electricity for at least 160,000 homes. In my early days, what I said to Tom Mitchell was, "How many extra megawatts is this project going to create in the Niagara complex, in the Beck complex?" Because every time we talk about a power generation facility, we're talking about extra megawatts of capacity. He said, "None." I was a little taken aback, and I said, "What do you mean?" He said that this project has had a capacity to generate electricity far beyond what the fuel will allow it to do—the fuel is the water. They haven't

been able, because of the limitations of the existing water transport structures, to utilize all the capacity that they have to generate electricity in the plant, just using the existing equipment. What I found fascinating is that even after this largest hard-rock tunnel in the world, they'll be up to about 75% or 80% of their capacity. Depending on how much water is available, they can do even more.

But you're absolutely right. Do we need the electricity? You bet. Hydro is clean, it's cheap and it can ramp up and ramp down very quickly. I understand that when we had the blackout in 2003, it was the Beck facility that was really the hub. The people around Beck didn't have any power outage; they still had power. That was the hub where the authorities at the time started getting electricity out to others, and kept it going for our different facilities to get them up and running. It really was a very impressive fact to know about the Beck facility.

Do we have a need for it? Absolutely. Do we have a need for power of this character and type? Absolutely. Do we have the wires to take it? Yes, we do. Yes, we have the wires. As you would expect, Hydro One, the IESO and the planners always look to see where, if we put in extra transmission capacity, we can have even more flexibility in the system. So it's not always just about, "Can you take it out?" but, "How many different directions can you take it out in?" You're always looking for opportunities to have not only the best system, the most reliable system, the most flexible system. We have the ability to take it out, we have the ability to get it around, and, yes, we want to use it.

Mr. Kim Craiton: The other thing I want to close with saying is thank you. I have been inundated—and I'm going to say the name HotWired, from Fort Erie. They've been calling me regularly. I've had so many companies coming in about: When are we going to make the announcement about the FIT program? When are we going to go forward with it? So, I'm pleased to hear that you've issued a directive, and that's going forward. Allen, I said I'd wave to you, if you're watching TV. The minister has made that directive, so it will be coming forward.

The other thing, Minister: I've got such a large number of people coming in that want to go with the wind power projects, particularly out in Niagara-on-the-Lake. They're coming in and hoping that we're going to go forward. The difficulty was—and I know you know this, but I just want to put it on the record—when the election was called—and I have a company in Fort Erie called DMI that produces the wind power turbines. It was the company that explained this to me; this is not me that's telling you. They were saying that the challenge was that the orders stopped coming in because no one really knew what was going to happen with the election. There are no guarantees in our business, but we knew that one particular party was very strongly opposed to wind power; that's their right to have that opposition. So the orders stopped, and everything slowed down. They're hoping now that if we start moving forward and get the positive signs, those orders will start coming back in. So that's one. It's called

DMI, in Fort Erie. I was out there the other day, and they're feeling positive.

In fact, I should tell you that they were excited over the fact that this company has come in from China. I thought there would be a little bit of concern because they're producing the same type of product. The general manager said, "No, this is a good thing, Kim. This is a good thing, to have competition. We have no problems with that at all, so we're glad to see it." So I just want to pass that on to you as well.

Hon. Christopher Bentley: Thanks very much. I'm pleased that the Ontario Power Authority was able to get the directive up on the website today. That is the directive that sets out the rules resulting from the green energy review that we did that concluded several months ago. We put the original draft directive up for discussion and review. There were lots of technical issues with those, I understand, and lots of people had the ability to comment even on the directive. Many, many thousands had the ability to comment originally, so it was great to get those comments to make sure that, as we proceed, we do it in the most effective way possible. I'm really looking forward to the applications. Thank you.

Mr. Kim Craiton: Thank you, Minister.

The Chair (Mr. Michael Prue): That's it? Questions? Mr. Moridi.

Mr. Reza Moridi: I'll continue. Thank you, Mr. Chair, and thank you, Minister. Minister, since 2003, when our party came into office, we have made lots of investments in the area of transmission. We have built 5,000 kilometres and did the maintenance work and upgraded 5,000 kilometres of transmission lines across the province. Could you please tell us about the major investments we have made recently in the transmission lines?

Hon. Christopher Bentley: Yes. We're going to call an expert up.

Mr. Serge Imbrogno: I'm going to call Jon Norman up. He's the director of transmission and distribution.

Mr. Jon Norman: Hi. Thank you for the question. Since 2003, the government has invested more than \$9 billion in the transmission system and the distribution systems. That, overall, represents an expanse of about 5,000 kilometres of wire if you put it in wire equivalents. Even in the past two years this investment has been accelerating as well because of the aging infrastructure on the system. Since 2011, Hydro One has invested nearly \$1.5 billion in upgrades and expansions of the transmission and distribution system.

Major improvements since 2003 include the Bruce-to-Milton line, which was referred to earlier, which is the largest transmission project to be built in Ontario in the past 20 years. That was recently put in place and will connect over 3,000 megawatts of clean energy, and will also help facilitate the removal of coal-fired generation in the province.

Another major project since 2003 has been the reinforcement of power transfer capability between the northern Ontario system and the southern Ontario system, which is an important bottleneck in the Ontario

system. This has allowed for many hundreds of megawatts of renewable energy projects as well as the expansion of the Lower Mattagami hydroelectric project in the north.

Finally, another major project has been the Ontario-Quebec interconnection. There's a series of six interconnections between Ontario and Quebec, and there was a joint agreement between the province and Hydro Quebec to expand that transfer capability by 1,250 megawatts, which has allowed the system to have more flexibility, both in terms of dealing with times when power is needed and in times when Quebec needs power as well. It was done to the mutual benefit of both parties.

I would also point out that there's a good deal of investment that has happened with regard to keeping the system at a level that can ensure the safety, reliability, quality and efficiency that Ontario customers are used to. Transmission reinforcement has occurred in Niagara, in London and in Kitchener, to the tune of approximately \$400 million over that time period. In addition, because of aging transformer station infrastructure, 15% of Hydro One's transformer stations have been upgraded as well over the past five years, which has amounted to an investment of \$850 million.

Mr. Reza Moridi: Thank you very much. Speaking of the Bruce-to-Milton transmission line—just recently, I believe, the minister officially opened that line—could you elaborate on the impact of this line on the communities across the province, particularly around the power line, as well as the type of generation which this power is going to deliver from the source to the consumer or the consumption place?

1330

Mr. Jon Norman: Yes, thank you. Bruce-to-Milton is a good example of the importance of transmission investment in the province. Very often, the discussion is around the supply side, the locations of that supply and where that source comes from. But of course, the wires are really the backbone of the electricity system.

The Bruce-to-Milton project, being the largest transmission project in over 20 years, has really allowed for the expansion of capacity from the Bruce area to the major load centres in the greater Toronto area. That has, in particular, allowed for up to 3,000 megawatts of new, renewable generation—that's wind generation and solar generation—in a very promising region of Ontario for that type of investment.

In and of itself, the investment into the wires has resulted in 500 jobs at the peak construction period, and that's not including indirect jobs that would come from the project and the amount of economic activity that comes from that. Perhaps more importantly, the project has allowed for those significant thousands of megawatts of renewable generation, which has also enabled a good deal of some of the manufacturing companies that have participated in the feed-in tariff program and allowed for that economic growth as well.

Just to give you an idea of the scope, the amount of generation that equates to is enough to power about

1.5 million homes. It's a very significant investment, both for the Ontario electricity system but also for the economy of that region.

Mr. Reza Moridi: Thank you very much. Ontario's long-term energy plan, which was introduced a couple of years ago, calls for some new transmission line projects. Could you elaborate on those, please? What are those projects in terms of their geography, in terms of their generation-to-load locations?

Mr. Jon Norman: Sure. The long-term energy plan, because it's an integrated plan, of course also recognizes that transmission is an important backbone of the electricity system and important for reliability over the long term. There is a specific transmission plan in the long-term energy plan that allows for the objectives of the plan to be met: for instance, achieving the target of 10,700 megawatts of renewable generation; for achieving the replacement of coal-fired generation; and, importantly, to ensure that reliable, adequate service is maintained to all Ontarians at all times.

There are five projects that are outlined in the plan. They're spread between the north and south of Ontario. The first in the north is called the east-west tie. It is a link between the northwestern Ontario system and the rest of Ontario. It will increase that transfer capability by about 300 megawatts. It's a \$600-million project. It's very, very critical to continued reliability in the northwest, and also to ensure that in times when there are significant amounts of hydroelectric generation, it can be brought to the rest of the province and vice versa: During time periods when there may be a drought, power can be brought into the northwest to ensure system reliability there as well.

Currently with that project, the Ontario Energy Board is running a designation process which will select a qualified transmitter to develop the project. That process is well under way.

The Chair (Mr. Michael Prue): With that, I'm going to stop you. On to the official opposition.

Mr. Rob Leone: Minister, I would like to have some clarification between the relationship between the OPA and the ministry. Can you describe that? Is it at arm's length from the ministry or does it simply respond to the direction that you set forth? Can you give us some explanation as to what that is?

Mr. Serge Imbrogno: I could try to answer that. The OPA is an agency of the ministry. It's consolidated through the ministry. It has a board of directors. The minister can provide direction to the OPA on procurement. So that's kind of the general overall structure, but the OPA board is charged with, once that direction is given, fulfilling that direction.

Mr. Rob Leone: Okay; that's very helpful. The minister, in essence, can provide direction to the OPA and, in so doing, the ministry would have some involvement in some of the decisions that the OPA would make, which means that suggesting that the OPA made a decision to relocate the Mississauga gas plant may have in fact been a result of some direction from the ministry.

Hon. Christopher Bentley: You're going to have the specific correspondence soon. Let's be very clear: We campaigned on it; we said we'd do it if we got elected. It was my determination that I review the documents and see where we were, implement the campaign direction and implement the commitment that we'd made.

Mr. Rob Leone: So was the ministry directing the OPA, or had some sign-off authority on actually siting the plant where it did? Did the ministry have any way in providing its feedback on the actual siting of the plant? I'm not talking about the relocation; I'm talking about the siting.

Hon. Christopher Bentley: Let's be very clear: The specific contract party was the Ontario Power Authority. I don't think there would be much question that they were aware that we'd campaigned on it. I did a very extensive review of documentation, as I believe you'll see in the documents, and outlined my review with the Ontario Power Authority, as I believe you'll see in the documents. I don't have it in front of me, so I don't have the specific wording.

Mr. Rob Leone: The reason why I asked the question, Minister, is because I got some maybe inferences, if not stated words, when Mr. Tabuns was asking you some questions, that there was some sort of sidestepping, perhaps, maybe passing the buck, in terms of the decisions that were made, to the OPA. But if you're in fact the minister responsible for the OPA, you are, in effect, responsible for the delegation and direction that you provide that ministry. If that is in fact the case, then your ministry and you, as minister, can be held personally responsible for the decisions that have been made, particularly with the siting of the plant. I'm not talking about the relocation; I'm talking about the first siting of the plant. Is that correct?

Hon. Christopher Bentley: With respect to the first siting.

I want to let the correspondence speak for itself. When you get the specific letter, you'll see what action I specifically took and the way it was written and outlined.

Mr. Rob Leone: Typically, as these sites are being discussed and debated, you're providing input to the OPA in terms of what the government's preference, perhaps, is on these sites, particularly with reference to where they're located. Do you recall, as a minister—obviously in a different ministry—that the original siting was actually discussed around the cabinet table?

Hon. Christopher Bentley: First of all, I won't comment on cabinet discussions. The OPA does have a very strong, independent planning authority, so I can't speak for any minister-OPA discussions that occurred at the time of the original siting. I think I'll just leave it at that. I'll let the correspondence speak to the actions that I took and the way that they were phrased. I know you're asking some specific questions, so I just want to make sure that I have the specific phrasing in front of you.

Mr. Rob Leone: With respect to the relocation of the site, assuming that the ministry provides input to the OPA, and some feedback or discussion or perhaps debate

around the cabinet table did in fact occur—and you're not at liberty to talk about those, so we're going to have to assume that that simply happened. Why was cabinet not notified of this decision to relocate the site? As you've previously mentioned, you learned about the relocation of the site reading the newspaper. There was no conference call of cabinet; this was something that you learned, as a cabinet minister—in a different ministry, mind you, and I respect that—in the newspaper. Don't you think this would be something that cabinet would throw around, would debate, particularly when it's costing us \$200 million?

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Hon. Christopher Bentley: In a newspaper or in the press, yes. It was a campaign commitment that we made in the course of that campaign, and we were all—

Mr. Rob Leone: But it was a campaign commitment, Minister, that no one really knew about. This was an 11th-hour campaign commitment. You released your campaign platform before the campaign actually started, as I recall, just the weekend or a couple of weeks before the campaign. This seemed to be at the 11th hour—about 11 days before the actual election. This might have been a campaign decision, and I respect that the Liberal Party and people like Don Guy are calling the shots in this government, but this can't really be construed as a long-term commitment if it just came out at the very last minute.

Hon. Christopher Bentley: My recollection during the campaign is that all three parties had a campaign platform document, and all three parties made additional campaign comments or commitments during the course of the campaign on different issues. On this particular issue, all three parties made a commitment with respect to whether or not the plant would proceed. We were very clear on the commitment that we ran on. Once the election was concluded and we became the government, it was obviously our intention, which was outlined a number of different times, to proceed to fulfill the commitment. There were several approaches to fulfilling the commitment. The negotiation/discussion approach is the one that we chose. The OPA had a very long, extensive, detailed—as I understand it—discussion on both sides, and that reached the agreement at the end of the day. They were at the table.

Mr. Rob Leone: So was it Don Guy that made the decision to cancel the plant?

Hon. Christopher Bentley: As I said to you a number of times, or answered a number of different questions, pretty clearly, there was a press release—just like your party issued a press release, and just like the NDP had public comments about it; I don't know if they issued a press release. We ran on the commitment—there might have been a press event the same day. My recollection is that there was. When we were elected, we proceeded to state our commitment to fulfill the commitment we'd made during the campaign—just like all parties had made commitments during the campaign.

Mr. Rob Leone: As a member of cabinet, and in the creation of party manifestos like platforms that you run

on, are cabinet ministers typically consulted on what is actually included in those party manifestos?

Hon. Christopher Bentley: Gosh, you know, I'm sure every party has proceeded in pretty much the same way historically in coming up with its campaign documents. Lots of input from lots of places would be the general rule. Campaign commitments would have been made. What is very clear is that we made it openly, made it by press release, ran on it and proceeded to implement it.

Mr. Rob Leone: The Toronto Star claims that even press aides on the campaign press bus didn't know about the fact that this was actually going to happen. This was, and very much seemed like, an 11th-hour decision to change course. I'm wondering if you could offer us any idea: Did Premier McGuinty actually authorize this decision at all, or did this simply happen from Don Guy and his folks?

Hon. Christopher Bentley: I can't offer you anything further than I already have.

Mr. Rob Leone: Do you know if the previous minister, Minister Duguid, was notified of the impending change prior to the announcement on that September day?

Hon. Christopher Bentley: I can't add to what I've already said.

Mr. Rob Leone: At what point, Minister, did you effectively become briefed on what has happened, what has transpired, in your ministry? What would that briefing have included? Would it have been simply a briefing that was prepared by the deputy minister and the ministry staff? Would you ever have encountered or had a conversation with the previous minister about some of the hot-button issues that are in your portfolio?

Hon. Christopher Bentley: Well, there were obviously briefings. There are briefings in every ministry that I've been in on materials prepared by the public service, and those briefings commence almost the minute that you're appointed and leave the appointment ceremony. Obviously, there were briefings on this and many other issues.

The public service is not political, so the public service would not have participated in those, to my expectation—any press release that went out from the Liberal Party—just as they wouldn't have participated in any that were made by your party or the NDP. That would be my expectation.

Mr. Rob Leone: Minister, I would suspect that it would be the case in your party, as it would be in ours, that at the very least the leader would have some knowledge of what would be committed to on a particular day. They would be well-briefed on those occurrences, and the rationale for making these particular decisions with respect to that would be clearly outlined and clearly tabled. Some references might be, in terms of the electoral impact of said decisions—I'm sure that calculus is part of the decision-making process in any party, in any government. I find it very remarkable that at every stage there seems to be a skirting of political and personal and ministerial responsibility with respect to this decision

that's costing taxpayers, or electricity ratepayers at the very least, \$180 million. That's a lot of money.

What I'm trying to assess here, Minister, is, who takes the fall for that decision? Is it you, as minister? Is it Don Guy, as the campaign chair? Is it the Premier himself? Is it some scapegoat that decided that it was a good idea to make sure that we save Liberal seats in terms of protecting your own? Perhaps it's the campaign manager for the MPPs and the Liberal candidates surrounding the plant. Who takes the fall for a government's decision to locate a site where it did, effectively costing taxpayers \$180 million? That decision, mind you, was a decision made by the government. It wasn't made by the opposition parties. It was simply made by the government itself. Who takes the fall for that?

Hon. Christopher Bentley: We were pretty clear in the commitment, that we made a commitment. You did join in, as did the NDP. We ran on it; I suspect without knowing that it was discussed a number of times during the balance of the campaign. When we were elected, we proceeded to fulfill the commitments that we had made. We've been very clear and open about that. It doesn't get much more open than issuing a press release and then, as I recall, having a press event. That was out there for all to see and to make determinations on, and everyone would have known that, obviously, if you make a decision to relocate, there are going to be some costs.

Mr. Rob Leone: That's understandable, Minister. But obviously, if another party did form government, there would have been responsibility. There would have been an indictment on the past decisions that your government would have made. Since you did actually form the government, a minority government, mind you, no one has taken political responsibility for the decisions that your government has made. When it has cost \$180 million, does that number, in an era of austerity, not raise alarm bells for you in terms of what it could potentially buy: hospitals, schools, roads in different communities that perhaps need infrastructure and things like that? Doesn't it bother you that there's \$180 million that has been lost as a result of your government's decision to locate the site where it did?

Hon. Christopher Bentley: Everybody would rather there be no cost or low costs, including me. There were some very hard negotiations and discussions during the course of the last number of months. We have reached an agreement. The OPA and Greenfield South Power have reached an agreement to relocate the plant. Those are the costs of equipment and work done that can't be reused. Every party that made that commitment would have known that there would be costs associated with the commitment. Depending on whether you relocated the plant or not, the costs would have been much higher.

Mr. Rob Leone: I know, Minister, that you keep coming back to the fact that we were part of that, but there's one thing that sets us apart, I think, and that's that the PCs—I don't mean to speak for the NDP, but I'm sure they'll agree with this statement—admit and we fully state and we don't shy away from stating that this

decision to locate the site where they did was in fact a mistake. Are you prepared today, Minister, to state clearly that the decision to locate the plant where your government did was in fact a mistake?

1350

Hon. Christopher Bentley: I suspect the decision that was made at the time was the decision that was appropriate in the circumstances. It was pretty clear that the circumstances changed dramatically in terms of the community approach and position with respect to that. I've already been asked about some changes in the residential makeup of the surrounding area. That's one aspect that probably fed in to and contributed to significant, building community concern about it. That's why, in those changed circumstances, the decision was made, and that's the position that we've taken. I suspect it was the same reason that your party indicated they wouldn't proceed with it, but I don't know; I can't speak for it.

Mr. Rob Leone: But we stated it was a mistake.

I'll pass it off to Mr. Nicholls.

Mr. Rick Nicholls: Thank you very much. Earlier today, Minister, you provided us with a backgrounder identifying the costs of relocating the Mississauga gas plant. Again, you stated in there that the government was able to minimize the cost impacts by repurposing \$85.5 million in equipment and work for use in the new facility. Had you not been able to do that, I would then assume that the cost was \$180 million, plus that \$85.5 million. That would be a correct assumption? Okay.

Here's my question for you, sir: How much money did the government have invested in the Mississauga power plant before the decision was made to pull the plug? And I think I can hear taxpayer money going down the drain here.

Hon. Christopher Bentley: The way the power purchase agreement works is that there is an agreement on the part of the Ontario Power Authority to pay the other party a certain amount of money every month for a plant with capacity. The proponent is responsible for the building, so the proponent goes out and does the necessary approvals, gets the design, gets the engineering—you've seen that referred to in the document—contracts for the equipment—

Mr. Rick Nicholls: But how much money, Minister, was actually invested, whether it be on the contractor's part or the government's part? How much money was invested in that power plant prior to the plug being pulled?

Hon. Christopher Bentley: When the commitment is made and we campaign on the commitment, there are then a number of discussions with respect to the relocation and the negotiation. When you see the first basket of costs here, that \$85 million represents the costs and the services that can't be reused in the new plant. So there would have been labour that was contracted for, there would have been equipment that was paid but can't be reused—"repurposed" I think is the phrase of the day—construction material and the like, things that might have been delivered after we got elected, but they had already been contracted for and paid for. So when you

say how much had been spent, there would have been monies that had been contracted for or otherwise spent, or otherwise in the process of being used, up to the beginning of the fulfillment of the commitment. I think those are all the baskets there.

The Chair (Mr. Michael Prue): I'm going to stop you right there, because that's the end of the 20 minutes.

Mr. Tabuns.

Mr. Peter Tabuns: Minister, possibly the deputy minister will have advice to you on this one: Eastern Power got a contract initially in 2005, and they couldn't get financing until 2011. That was a long period of time, and yet they had a guaranteed power contract that was of some value. What kind of company with a guarantee to sell power can't get financing in that period of time?

Hon. Christopher Bentley: I'll turn it over to the deputy.

Mr. Serge Imbrogno: Mr. Tabuns, I don't have specifics on Eastern Power. They would have received the winning bid in 2005 and then would have proceeded to get their approvals. So I don't know whether between 2005 and 2011, there were issues with approvals that they were getting, or whether it was a combination of that and financing. I don't have that breakdown for you.

Mr. Peter Tabuns: When you have a company bidding on this kind of project, what assessments do you do as to their viability, their stability, their general ability to deliver?

Mr. Serge Imbrogno: I think there would have been basic financial tests that they would have had to have met. But then once they got the contract, it would be up to them to go out and get the financing. They don't bring the financing when they come forward, but they would have to present an acceptable balance sheet.

Mr. Peter Tabuns: Have you looked at their balance sheet since this contract was thrown into dispute back in November 2011?

Mr. Serge Imbrogno: We have, and I believe the OPA going forward would review that as well.

Mr. Peter Tabuns: In moving to this new location, what assets do they bring with them?

Mr. Serge Imbrogno: Do you mean the physical assets?

Mr. Peter Tabuns: Yes. You've listed some gas plant equipment here. Is that owned by them or by the OPA?

Mr. Serge Imbrogno: Those assets would be owned by Greenfield.

Mr. Peter Tabuns: They would be owned by Greenfield.

Mr. Serge Imbrogno: They would be owned by Greenfield. But the value of those assets would have been taken into account in setting the net revenue requirement going forward. In other words, they would have been subtracted off as part of the negotiation of the net revenue requirement going forward, and that partly explains why the net revenue requirement dropped from \$12,900 to \$12,400.

Hon. Christopher Bentley: You'd asked an earlier question in an earlier round about payments that had been

made and some of the payments that have been forwarded related to equipment that was contracted being delivered. In the course of the negotiation, as I understand it, payments that had been made for equipment that was going to be of benefit to Greenfield South Power was taken into consideration in lowering what the net revenue requirement would otherwise have been, just as they might, I assume, have brought to the table things like inflation and increased cost of construction in trying to raise it.

Mr. Peter Tabuns: So why did the OPA pay money to Greenfield to keep them whole after they had been told that the OPA would no longer honour their contract with them at this site?

Hon. Christopher Bentley: I'll let the documents speak for themselves in their legal terms, but generally, the approach was that the Ontario Power Authority would enter into discussions with Greenfield South Power about relocating the facility. It was always our intention to not have a gas plant proceed on the Mississauga site, but have a gas plant at another place. It wasn't a "We're ripping up the contract. We don't want to see you anymore"; it was a "We don't want it here. Can we find another place?" That is a different construct of a discussion and negotiation. That's really what was happening.

It obviously adds a certain level of complexity for all parties to it, but it does enable the parties to work very hard together in good faith over a period of time and come up with a result.

Mr. Peter Tabuns: Again, I'm going to go back—the OPA apparently sent a letter to Greenfield. This is the court transcript from New York. On November 14, Eastern Power gets a letter from the OPA saying, "We're not going to purchase power from you under a power purchase agreement for the next 20 years." The conversations start from there. Why is it that you continued—why did the OPA, why did the government of Ontario continue—giving money to Eastern Power after they had sent that letter? Why was it our problem?

1400

Hon. Christopher Bentley: Well, there was—I'm not going to speak as a lawyer on the issue. I'll just speak on my understanding of the issue. There was a power purchase agreement with Ontario Power Authority and Greenfield South Power.

Mr. Peter Tabuns: That's right.

Hon. Christopher Bentley: So there's a contract.

Mr. Peter Tabuns: And they were informed that it would not be honoured.

Hon. Christopher Bentley: I won't speak to that document because that's not my document, but the hope was and the expectation was that, although the issue is challenging, discussions could be had with Greenfield South Power not about ripping up the contract, going to court, having a fight and figuring out all the damages, but how to take the proposed plant from Mississauga and find an acceptable resolution to move it somewhere else so that we benefited from the power, we benefited from

the facility and attempted to work hard to minimize the relocation impacts.

Mr. Peter Tabuns: So why did you give them money?

Hon. Christopher Bentley: It was part of the determination, I suspect, to make sure that the commitments that have otherwise been made, the commitments that were site-specific, could be met and that discussions could continue in good faith on both sides—all of which has been taken into consideration either in the specific costs or in the price of the new power purchase agreement.

Mr. Peter Tabuns: When did you decide on Sarnia?

Hon. Christopher Bentley: I don't know about a "When did you decide on Sarnia?" I don't know if I can specifically ask and answer that question. The agreement was concluded on Monday between the parties. I think it would be fair to say that very early on in discussions about this, my thought was that Sarnia would be a site, the Lambton facility would be a site—my personal thought.

Mr. Peter Tabuns: And when was this broached with Eastern Power?

Hon. Christopher Bentley: I don't know exactly the conversation; I wasn't at the table. Obviously at some point, the Lambton site was voted as a possibility and the agreement was concluded on that basis. I know that they would have reached the agreement because they both determined, from their good analysis of the situation, that that was the appropriate site, not on the basis of any thought I might have had personally or uttered in a different scenario otherwise. I don't purport to be the expert on siting gas plant facilities. There are others who do that. They obviously decided that this was an appropriate place and I don't disagree with that decision.

Mr. Peter Tabuns: Why Sarnia and not Nanticoke?

Hon. Christopher Bentley: It seemed like a good fit. They're both good sites. They both have coal generating stations on them. We're getting out of coal in both places. I think the Nanticoke site is a good one as well, but the Sarnia one is the one that was agreed upon, and I think that's good.

Mr. Peter Tabuns: I'm going to go back. When Eastern Power was told that the OPA was no longer going to buy power from them, the complaint in court by EIG, the financier, was that Eastern Power didn't complain, didn't make any legal filings over it. They just rolled over. Why was that? What was the relationship between Eastern Power and this government that allowed the government to say, "I'm cancelling a 20-year contract with you. I'm not buying power from you. You're about to be put on a very risky venture into uncharted territory as to whether or not we can find a site for your plant"?

Hon. Christopher Bentley: You've probably heard me say, wearing a number of different hats on a number of different occasions, that I tend not to comment on the minute-by-minute flurry of remarks either in court, orally or through documents or submissions. Lots of things are said. I wasn't there at the time and I'm not either of the parties, so I'll let them speak to that.

I don't accept your characterization. I think the facts would reveal, and the facts do ultimately reveal, in the agreement, that Greenfield South Power worked very hard to reach an agreement and stood up for their interests and their owners. It was not an easy agreement to reach. These discussions went on, you've heard me say, for a long period of time. We're in July now. I don't know if I made my first comment in October, but I suspect I did, within a day or so of being—in fact, my recollection is that there were certain press comments the day I was being sworn in. That's my recollection. I've been commenting somewhat continuously since then, not in as much detail as I was able to yesterday, about this. So, I have long since resisted the temptation to speculate on why people say different things in court or through their documents. What's important for me is that that's concluded—that's done. The EIG part is done, by agreement, and the lawsuits there and here and with them, all of the comment and allegations have been withdrawn because allegations are not facts. The whole point of court, of course, as we all know, is for the trier of fact and law to determine what the facts really are, not for everybody to speculate. So, that determination was never made because those never went to trial. They were all withdrawn and concluded by settlement. So, it's the settlement—and I've revealed the settlement, the \$88 million—which settles those out.

Mr. Peter Tabuns: Does Eastern Power or its related companies have other contractual relationships with the OPA or other entities like OPG in this province?

Hon. Christopher Bentley: I'll give it to the deputy to answer, if that's okay.

Mr. Serge Imbrogno: Yes, just—I'm on the Ontario Electricity Financial Corp.—

Mr. Peter Tabuns: Oh, OEFC; yes, right.

Mr. Serge Imbrogno: —the OEFC—board of directors. So, Eastern Power has two prior non-utility generator contracts that were signed with the old Ontario Hydro that were transferred to the OEFC or remain with the OEFC as the continuation of the old Ontario Hydro. I think those are still in place. There are two biomass ones, Keele Valley and—I'm sorry, I forget the other one, but they're fairly small NUG facilities that are mainly biomass.

Mr. Peter Tabuns: And can you tell me their size and their location?

Mr. Serge Imbrogno: One is in Keele Valley. I don't remember, off the top of my head, what the size is, but they're fairly small. Related to—

Mr. Peter Tabuns: Methane collection from landfill?

Mr. Serge Imbrogno: That's correct, yes.

Hon. Christopher Bentley: I think we can find out their size and location.

Mr. Serge Imbrogno: Yes; they're not large natural gas power plants.

Mr. Peter Tabuns: Okay. So, they're a very small player.

Mr. Serge Imbrogno: I'm just aware of those assets in terms of when you asked about any contracts with On-

tario government agencies. I'm not aware if they have any other assets contracted with anyone else or outside Ontario.

Mr. Peter Tabuns: Okay. But in your relationship with them, they're a fairly small player—"your" meaning the province of Ontario and the Ministry of Energy.

Mr. Serge Imbrogno: In my role as board member of the OEFC that would be my only contact with them.

Mr. Peter Tabuns: Okay. One of the things that came up in your comments, Minister, in November of last year, was problems with siting. You said, "Clearly, we have difficulty here with siting." Can you tell us what you've done since then to review siting criteria and the changes that you're proposing?

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Hon. Christopher Bentley: Thank you for that. You asked me a little bit about this, I think, a couple of sessions ago. We indicated, as you said, that there had been some challenges on siting. We indicated that we were going to take a jurisdictional scan to see if somebody had a better approach. We can speak about it in more detail. I think it would be fair to say that there isn't a universal rule that constitutes a better approach. An approach that has been taken either in one jurisdiction that works but doesn't work in another jurisdiction; one that involve hearings in one that work but don't work in another jurisdiction. Sometimes within the same jurisdiction, they don't work. It's just one of the challenges about siting power generation facilities. You have similar issues with respect to transmission, of course. The jurisdictional review has not resulted in a pattern that one can follow.

If you ask me why I'm attracted, in part, to a place where they've generated electricity for decades from a coal facility, that's close to transmission, close to a gas line, in a region that has long been known as an energy hub with Refinery Row, maybe one good reason is that it's challenging elsewhere. But we're still looking.

Mr. Peter Tabuns: You're still looking, and there have been no proposals for changing the siting criteria since you first commented last November.

Hon. Christopher Bentley: There are many proposals. There have been no conclusions.

Mr. Peter Tabuns: Do you have a sense of when you will come forward with the conclusions?

Hon. Christopher Bentley: We're still looking, and I'm anxiously awaiting the magic formula, but I'm not at the point where I see the magic formula forthcoming.

Mr. Peter Tabuns: You told us earlier today that you're constantly reviewing transmission issues, grid issues. Can you tell us the investments that are going to be made in the southwest of the GTA over the next five years in transmission capacity?

Hon. Christopher Bentley: The IESO and the OPA are constantly reviewing, yes. You got an answer to the previous question from Jon Norman on the long-term energy proposals, the different major investments. That's in the plan. The one that's going ahead is not in the southwest. We just finished and opened up the Bruce-to-Milton line. I'd count that as part of the southwest.

Mr. Peter Tabuns: Really? The southwest GTA?

Hon. Christopher Bentley: No, not the southwest GTA.

Mr. Peter Tabuns: I'm going back to the southwest GTA.

Hon. Christopher Bentley: Oh, sorry, the southwest GTA.

Mr. Peter Tabuns: Yes.

Hon. Christopher Bentley: Oh, okay. Sorry; I just heard "the southwest." I'll go back and find out if there's a specific breakdown. Hydro One is always looking at upgrading and renewing its facility. Toronto Hydro and the other utilities within the southwest GTA would all be constantly looking at how to upgrade their own facilities. What specific investments they all have, I'm not aware of.

Mr. Peter Tabuns: I'm interested in Hydro One investments in the southwest GTA that you have proposed for the next five and 10 years. Similarly, if you could tell us what the power demand growth or reduction has been in the southwest GTA over the last five years and what it's projected to be for the next five.

Hon. Christopher Bentley: With respect to the first one, I'll ask what transmission projects, apart from the usual maintenance review etc., they have decided to undertake in the southwest of the GTA.

Mr. Peter Tabuns: Correct. Thank you.

The Chair (Mr. Michael Prue): With that, I will stop you. It is now the government's turn.

Mrs. Donna H. Cansfield: Thank you very much. Actually, it's a little bit, Minister, in the same vein. I was interested yesterday in your announcement that, in fact, you were switching us over to the Lambton area. My first question is: When was the plant in Lambton slated to close?

Hon. Christopher Bentley: Thank you. As you know, as we've been very clear since the spring of 2003, we're getting out of coal. There's a lot of very hard work in not just getting out of coal but having other forms of generation to pick up the slack, other forms of generation with different properties. We have said that we are getting out of coal and closing the facilities by the end of 2014—that's the Lambton generating station, by the end of 2014. Several of the units have been closed completely already. Most of the units that remain don't run most of the time but are there for emergency use, if required. But they'll all be closed by the end of 2014, no later.

Mrs. Donna H. Cansfield: How many megawatts at Lambton?

Hon. Christopher Bentley: Somebody is going to tell me, in about two seconds, how many megawatts at Lambton and how many units.

Mrs. Donna H. Cansfield: There used to be a whole slew, and then we shut down a little, and it's not producing as much.

Hon. Christopher Bentley: How many are left?

Mr. Serge Imbrogno: Two at Lambton.

Hon. Christopher Bentley: There are two at Lambton left.

Mrs. Donna H. Cansfield: So that's probably about half the capacity there was. I think it was about 1,900 originally, so you're probably at 1,000 or so. That doesn't mean you use it, that just means it's there. That's really important.

Hon. Christopher Bentley: That's exactly right.

Mrs. Donna H. Cansfield: For me, one of the reasons around the reduction in the coal and the phasing out of coal and to look to cleaner sources—and certainly natural gas is a cleaner source—is the issue of the pollutants and what's emitted even still at Lambton. As I recall, Lambton was probably the second-dirtiest plant, next to Nanticoke, because of the kind of coal they used. They were high in NOx and SOx, which are the nitrous and the sulphur, and probably a significant number of other contaminants.

Again, when you look at this issue of the siting, from your perspective as a minister, do you believe that this is an appropriate way in dealing with the phasing out of the coal?

Hon. Christopher Bentley: That's a great question. You want to make sure you can make the progress that needs to be made with respect to the environmental issues, with respect to the health issues, as well as having the appropriate supply online. When we made the commitment to get out of coal, it was a very important decision at the time because, as I've said before, coal had already grown to be about a quarter of our power use. This was in 2003, when we didn't have enough. Using all of our facilities, as much as they could be used, there wasn't enough power in 2001, 2002 and 2003, particularly in 2002 and 2003, to meet the needs of the province of Ontario. There were a number of brownouts. For years after, Ministers of Energy, I know, would have been sitting on the edge of their seats whenever anybody even hinted that we had a really hot, muggy day, because we didn't know if we had enough.

It's great to talk about importing power. The problem with talking about importing power is that the jurisdictions we'd most likely import from tend to have much the same weather that we have at a particular time. So if it's really, really hot in the province of Ontario, as it has been the last four weeks, well, guess what? It's really, really hot in Michigan, Ohio, Pennsylvania and New York as well. There isn't the ability, then, to import. And the tie that we had with Quebec at the time, 2002, 2003, was not as much as we would have liked it to be to draw in lots of power. They sell to the States as well.

So we made this commitment—great environmental benefits, huge health benefits. It was estimated that we were spending about \$4 billion a year through the health and other taxpayer pockets for health care and environmental effects of burning coal. That doesn't make any sense, because there's no gain on that. In fact, there were thousands of people who were suffering and deaths that were attributed to the dirty air that burning coal produces, so we decided to get out of that. We've had to do it, and we're doing it in a very systematic, measured way so that we still have the power that we need throughout the prov-

ince of Ontario to meet the needs, whether it's Sarnia-Lambton, London, Mississauga, Halton, Oakville, GTA or elsewhere, and we've been able to do that.

So as you close down, you're building elsewhere, making sure you've got the transmission to take it to where it's actually needed. That work has been very successful—very hard work by men and women throughout the facilities in Ontario, very hard work by Ontario families and businesses to do this, because it's not easy.

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So then, as you try to locate power generating facilities, you quickly discover that although everybody wants the power and expects it will be there and expects it will be reliable, there is not the same degree of enthusiasm for having power facilities in all parts of the province where it might be most desirable to have them, and then certainly not necessarily the same degree of enthusiasm for transmission of the power. It's just one of the challenges that we have.

As we look to locate facilities, we look at a number of factors—the OPA and the IESO do. Obviously, in this particular case, as we were looking to locate a gas facility, having it on a site that has historically been used for the generation of electricity does make some sense. They have the skilled workers. They happen to have lots of construction trades, of course, there. It happens to be a site that's used to having generating facilities—coal-burning facilities for a long period of time; this is a much cleaner approach. It is very close to transmission facilities, so there is transmission to take the power. And it is, I understand, relatively close to a gas line. That's important if you're having a gas-fired facility.

So it just seemed to be a very good fit and one, obviously, that the parties in this particular case thought was a good fit because they were able to reach an agreement in this very challenging circumstance to put the plant there.

You know, we get out of coal, we get the power that we need, we locate it in a place that's used to it, in an energy hub: It's a good result. From that perspective, it's a good result.

Mrs. Donna H. Cansfield: Thank you. I know the Ontario Clean Air Alliance has stated that it's about a 60-some-odd per cent reduction in air pollutants by switching to natural gas. Certainly a number of those pollutants that come as a result of burning coal are the same ones that impact respiratory disease, pulmonary disease. I remember my predecessor, Chris Stockwell, who said you can't close down the coal-fired plants because people would be without electricity. "It's that simple," he said. That's not true. We've proven that.

Actually, that takes me on to my next question I wanted to ask you about, and that is the task force: the composition of the task force, the expectations of the task force. If you could give us some information about that, I'd be pleased.

Hon. Christopher Bentley: The Clean Energy Task Force—and just before I do, the deputy has got some really good figures with respect to the environmental

benefits of getting out of coal. Maybe I'll just let the deputy—

Mr. Serge Imbrogno: Sure. You mentioned that there were environmental benefits related to coal, and I'll just give you some of the facts that we've been able to achieve since 2003.

You mentioned the supply mix. It was 25% in 2003. It's now down to 3% of our supply mix related to coal, and that represents about a 90% reduction in coal use since 2003.

In 2011, coal-related sulphur dioxide emissions were down 93% from 2003 levels. As you know, sulphur dioxide is a large contributor to smog.

Also, in 2010 the coal plants emitted 87 kilograms of mercury, the second lowest on record. It's anticipated that in 2011 mercury emissions from the coal plants will be their lowest in 45 years.

As you know, we're on track to meeting the coal phase-out by 2014. Overall it's equivalent, in terms of climate change, as well, with CO₂, to removing seven million vehicles from the road by the end of 2014.

Those are some of the benefits—as well as climate change, but the smog and acid rain that you had mentioned as well.

Mrs. Donna H. Cansfield: Thank you. It's amazing when you think about seven million vehicles, the impact that has; it's absolutely amazing. Thank you very much for putting those statistics in.

And, Minister, about the—

Hon. Christopher Bentley: The Clean Energy Task Force: We've had our first meeting, co-chaired by—actually chaired by Annette Verschuren, but Minister Duguid and I are both there. We've asked a number of very capable individuals to participate: Lisa DeMarco, who is one of Canada's leading climate change and energy law experts; Tim Weis, director of renewable energy efficiency policy; James Murphy, director of business development for Invenery Canada; Carmine Marcello, executive vice-president of strategy for Hydro One—just to name a few. We've got about 15 people who have volunteered to come and join.

What are they going to be doing? Well, here are some of the questions that we've really asked them to take a look at and provide us with their strategic sense and advice. How can we identify and eliminate barriers to the implementation of new clean energy technologies by innovative Ontario companies? There are lots of good things going along. We hear from time to time about barriers. They've got good on-the-ground experience. So what can we do?

What are the best export opportunities for our technologies and expertise that we develop here? We don't want to get rid of the expertise; we want to use it, create jobs here and generate wealth here by selling to the world. So what are the export opportunities? It's good to have a group of individuals who have breadth not just in the issue, but have a breadth of knowledge about different jurisdictions. We may have something that we're very good at here that is being used around the world, but

the need for that is being met locally. Focusing on that as an export opportunity really is not going to get us very far. On the other hand, we may have expertise in a particular technology or approach that isn't in great supply elsewhere, or if it is in great supply, we're either better or more cost-effective or both at it, and we can identify that as an export opportunity. Where's our real leadership position that we can use? They're going to give us some good strategic advice on that.

How can we attract investment and maximize the benefit of our position as a global leader in the advancement of smart-grid technologies? Our colleagues were asking earlier about the smart grid. Everybody's talking about it now. Particularly in the States, you hear a lot of discussion now as a result of adverse weather effects and some of the challenges they've had. Huge investment is required—huge. How can you attract the investment? How can you make sure that you're going to get real-time, tangible benefits for that investment so that families and businesses are better off by the investment beginning immediately?

How can we advance our economic opportunities and benefits associated with our renewable energy right here? What's the best way to market our clean energy expertise? Is it trade shows? Is it advertising? Is it piggy-backing with somebody else? Is it identifying the businesses that are leaders? They're going to give us good strategic advice. I'm very thankful to all of the members for participating. It's already started out well.

Mrs. Donna H. Cansfield: Great. Thank you very much.

Hon. Christopher Bentley: No, thank you.

Mrs. Donna H. Cansfield: Do I have any time left?

The Chair (Mr. Michael Prue): Oh, yes. You still have about seven minutes.

Mrs. Donna H. Cansfield: Oh, great. Thank you very much.

I wanted to also ask you a couple of questions about—we had some discussion around the transmission and the importance of the renewing of the transmission. My question was just how we're working with the local distribution companies on their local distribution.

Hon. Christopher Bentley: You know what? Can I just echo something that I said a couple of hours ago? We've had some very challenging weather the last four weeks. Lots of us love hot weather in the late spring and the summer—lots of beach and cottage and other resort opportunities. Gosh, the power demands when the hot, muggy weather arrives are huge. They really tax the system. They tax us in terms of meeting the maximum demand, air conditioning in particular. They tax the technology. You probably heard the comments about some rail and road technology; it gets superheated. You've got to take extra precautions. That's just natural.

The same happens with electricity technology: transformers, grids. So it is important to make sure that you do whatever you can so that you're ready for the worst—you're planning all year, having things sit all year so you're ready for the worst—so that you can meet the

demand and you can meet it effectively in the weather conditions.

I just want to thank the local distribution companies that we have in the province of Ontario, just under 80 of them, for the hard work that the men and women do, whether they're out on the road, whether they're dealing with the lines, the transformers, answering customer issues or in the planning or in the control rooms, because, gosh, they really did a great job throughout the province of Ontario. We're never out front of events, but if you take a look at how we've done the last four weeks, the great work that they've done, with the experience elsewhere, we're very fortunate for the hard work that the men and women have done—very reflective of the strong planning and investments that have been made at the local level and at the provincial level. It has been a good approach, but you can't rest, because there's always a challenge.

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You heard about the equivalent of 5,000 kilometres of wire: \$9 billion worth of investment. Obviously, that's reflected in the bill, but you have to do it. Otherwise, the wire that you have with the transformers can't take the energy that you need from a Niagara Falls and get it out to homes throughout the province of Ontario. You just have to make this. Anybody who has a home or a car knows that. You can ignore things, but if you ignore, your car is breaking down on the highway or the water is coming through the roof, and then it's too late to be making those wise investments.

They've been making these investments. They're going to keep making the traditional investments. Hydro One tells me that they have many, many thousands of poles that are decades old and need to be replaced, with the additional challenge that we have the beginnings of this technology to put in the smart meters, and now we have this other digital and related technology that allows us to manage a system in a way that we never have been able to before. The benefit of wise investments there through a smart grid are seen to be huge. The challenge is what to invest, when to invest and how to make sure that you're getting the benefit from the investment in real time so that families and businesses are making the investment, but they're also seeing the benefit right away.

That's the great opportunity and challenge we have with the technology right now. It's a very exciting time, as investment in this area used to be all about poles and wires and transformers, I understand, and now it's at least as much, if not more, about the digital opportunities, the computer-based opportunities, the smart meters, smart technologies and where to invest money in that so that it can take the stress off your poles and wires and make the whole system run infinitely more efficiently than it ever has before.

I've seen lots of great examples throughout the province of Ontario already. Hydro One has been a leader; a number of our local distribution companies really have taken a great leadership position. They're actually helping some of the other LDCs in the work that they've

done—a very exciting opportunity. My view has always been that it's great to invest; I want to see the benefit in real time, because families and businesses want to see that benefit in real time as well. So how do we match up the benefit with the investment as much as possible?

Mrs. Donna H. Cansfield: Thank you very much. I guess the only thing is, if you can find a way to keep the squirrels from nesting in my local little transformer, that would be really helpful.

Hon. Christopher Bentley: Do we have the squirrel expert here? I think you're going to have to ask the Minister of Natural Resources.

Mrs. Donna H. Cansfield: Everybody has that challenge.

The Chair (Mr. Michael Prue): That's the end of the time, but if you can teach the squirrels, you have to teach the raccoons as well.

All right. Just to remind everybody: This is the last full round, although the Conservatives will have an extra few minutes at the end. This is your last 20-minute round.

Mr. Rob Leone: Sorry, Chair; did you say we have 20 minutes, and then after the rotation we have a few minutes?

The Chair (Mr. Michael Prue): After the rotation, you're going to get another 10 or 12.

Mr. Rob Leone: Okay. That way, I will ask some more questions, Minister, about this gas plant issue that has certainly been the talk of the committee today in estimates. I'm wondering, Minister, if you could tell us who in fact wrote that press release that changed the location of the Mississauga gas plant. Do you have an idea who would have written that?

Hon. Christopher Bentley: No, I don't.

Mr. Rob Leone: Do you have any idea who would have authorized the release of this?

Hon. Christopher Bentley: I appreciate the questions. I think I've told you all that I possibly can with respect to that. We issued the press release; as a party, we campaigned on it—the same type of commitment your party made and the NDP made. We were elected, and we proceeded to fulfil the commitment.

Mr. Rob Leone: The issue, Minister, is that we're now out \$180 million because of the relocation—also because of the delay. In fact, after the decision was made in a press release, the construction of the plant continued, costing tens of millions of dollars, hundreds of millions of dollars of taxpayer money. We are in an era of austerity, as we like to say often in all parties. We have to show some restraint, and that \$180 million is a lot of money. It's a lot of money that could go to build the cancelled hospital expansions that you have on page 40 of your budget. Doesn't that bother you, Minister?

Hon. Christopher Bentley: I think we've done pretty well in terms of constructing hospitals. I'll get to your question. I know you closed 29 of them. We've done pretty well on that score.

Any amount of money is a big amount of money for me. Any opportunity to minimize the relocation cost was

taken, and it is a positive development that they were able to reach an agreement on the relocation of the facility so that it continued. I'm pleased that they were able to reach that agreement and, as I say, any amount of money, for me, is a large amount of money.

Mr. Michael Harris: Minister, since yesterday's announcement, I've been inundated with emails and phone calls from my constituents just flabbergasted at the cost of this careless, reckless decision. In fact, locally, one of the greater KW chambers of commerce's concerns was the long-awaited Highway 7 expansion between Kitchener and Guelph. The \$180 million would have got us halfway there already to build this ever-so-needed highway.

A couple of other stats I found interesting that some constituents have relayed on: Were you aware or are you aware that we could hire, in fact, 3,500 teachers for one year with \$180 million that we've just recently wasted, or your government, has wasted? A student's average tuition is \$6,600 for post-secondary—

Interjection.

Mr. Michael Harris: College and university—27,000 students would have been eligible for free tuition.

Mr. Rob Leone: That's everyone at the University of Waterloo.

Mr. Michael Harris: The entire population of the University of Waterloo could have gone to school for a year with that \$180 million. When you're in London, what do you tell people in your constituency? How do you justify, again, wasting either ratepayers' or taxpayers' money to the tune of \$180 million? What do you say?

Hon. Christopher Bentley: There's no question that every effort was made to minimize the relocation costs. Every party knew, or would have known—including yours—when the press release was issued and when your subsequent press release was issued, that there would be costs to the relocation or the cancelling, which is the term that you used, and every effort has been made. Any amount of money is a lot of money for me. I find that the examples that you've been using are interesting, because you are not noted for making investments in education. You are noted for raising tuition, not lowering it. But that's beside the point. The point is that everybody has worked very hard to minimize the relocation costs, the same effort that you would have been involved in had you had the opportunity to either cancel the contract or work with the party to relocate the plant.

Mr. Rob Leone: Minister, once again, you keep trying to put the blame on us, but you were the government that actually sited the plant where you did, so you are, in fact, responsible for \$180 million going to things that have no relation to any of the investments that my colleague Mr. Harris has outlined. I have to note, since you tried to suggest that we are a party that does or doesn't make certain investments, you're the party noted to waste money when it comes to energy—billions of dollars, in fact, in energy contracts, whether it's this gas plant or green energy or others. That's your party's legacy. It's your party's swan song, perhaps, when it's all over, that you have given Ontarians a massive deficit, doubling the debt; and these

energy experiments that are ending up costing us billions upon billions of dollars, that's your party's legacy. So you can't put that on us, Minister, effectively what your government has to decided to do and impose upon us.

This is interesting, because roughly 27,000 people, which is roughly the population of the University of Waterloo; it's very similar to what the population of the University of Western Ontario—in effect, all the students there could have gotten free tuition, a free education, as well, for a year, in terms of going there.

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Don't your constituents raise these concerns with you when you're out and about? Are you knocking on doors, are you listening to people who are coming to you with their hydro bills to try and outline these global adjustment charges that are excessive? What do you say to them? What do you say to them in terms of all of the money that you've effectively spent on energy that you're not spending on core social services?

Hon. Christopher Bentley: We've been working very hard as a government to address the fiscal issues. I would have appreciated some support on some of the initiatives that we advanced during the course of the budget process from your party. Unfortunately, that was not to be forthcoming. You had a number of different investment opportunities.

Look, I know you're not particularly happy when I say it, but all three parties made a commitment not to proceed with the gas plant. The words your party used were that you would cancel the plant; whether that means move it or whether that just means rip up the contract, I don't know. But every party would have known or should have known that there would have been costs to the decision that they committed to make. We made one. It was a clear commitment. We ran on it. We were judged on it and we proceeded to implement it.

Mr. Rob Leone: Our party also stated, Minister, that someone should be held responsible for this. Certainly, you don't repeat those words very often right back to us. You conveniently just stick to the fact that we all agreed to cancel it. You've never taken responsibility for actually putting it there. You have never agreed with us that we want to find out who is responsible for this particular decision.

I don't know why, Minister, you wouldn't—if you had a name perhaps, why won't you share that? Because it certainly would take the spotlight off you, in terms of you being responsible for these decisions. So why won't you offer us a name? Is it because it's you?

Hon. Christopher Bentley: It was pretty clear that we issued a press release. I believe that we did a media event—not sure, wasn't there. But we all ran on our commitments as a party. The voters made a judgment. We proceeded to implement those commitments.

Mr. Rob Leone: In terms of the effect that you are simply not going to take responsibility for this decision, that you're not even going to call it a mistake—certainly the member for Mississauga South, the Minister of Citizenship and Immigration, called the idea “dumb.” But

the government is not similarly going to be making that sort of statement. Don't you see a problem with that in terms of what Ontarians may well see as being, perhaps—maybe it's being oblivious to the fact of what's going on in the Ministry of Energy or, perhaps, incompetence. Don't you think people are going to ask legitimate questions with respect to why no heads are rolling with respect to the moving of this plant from Mississauga to Lambton?

Hon. Christopher Bentley: Well, as I say, we were very clear and transparent with the commitment that we made. It is clear from this and a number of other issues that locating the generation facilities that we have in the province of Ontario has been a challenge. We all want the power; we all expect the power to be there; we expect it to be reliable and plentiful. Locating generating facilities of any type or locating the wires to take the electricity from anywhere seems to be something that attracts a fair degree of comment. That's one of the challenges that we have. I've indicated that we are looking at a better approach to siting facilities.

I also indicated, in answer to some questions posed by my colleague from the NDP, that I haven't yet come up with a magic solution. There seem to be comments about any generation facility of any sort that's located anywhere. It will continue to be our work to work hard to make sure that we can meet the needs of the province of Ontario in terms of energy, which we're doing. This particular one is going to a site that your leader has otherwise indicated is a site that we should be looking at, so they've agreed to go there. That is—

Mr. Rob Leone: A retrofit though. It's a retrofit, not a new build. If we're talking about Sarnia—Lambton—

Hon. Christopher Bentley: Yes, I don't—

Mr. Rob Leone: We're talking about a retrofit.

Hon. Christopher Bentley: Maybe you have all of his comments. I know there was a lot of—

Mr. Rob Leone: I don't, actually. I don't have it, but I'm assuming that if it was a siting of a gas plant, we would try to find the most cost-effective way possible to actually place a plant, which doesn't seem to be the case here.

Earlier in my line of questioning, we talked about how retrofitting Lambton would have been a more cost-effective way of putting gas down in that location. Now you're building a new plant for whatever reason, we still don't know. I'm assuming it's because you've concocted some deal with the group that's moving down there. So you're trying to, I don't know, instill blame or show that we're all with you, Minister—I don't know what you're trying to attempt to do here.

The reality of it is that you're the government. You made a decision to locate the plant in Mississauga. You decided to relocate that and come to an agreement with the parties that are at the table. That's costing taxpayers a \$180-million fee that has not been accounted for in the estimates or in the budget. That is essentially the story that emerges from this. You made a decision, you relocated it, it's costing money that we don't have, and

you seem to be flippant about the fact that this is actually happening.

This is under your watch, Minister. You would, I would think, want to have some reasonable answers to some of the concerns that are not just being made by myself and my colleagues here, but are concerns that are going right across the province of Ontario, concerns that are coming to your email box as well as mine. People have legitimate questions and concerns. They want to see somebody held responsible for this decision, and nobody is stepping up to the plate. When we ask those questions, your response is either "I wasn't there" or "I simply don't know."

Hon. Christopher Bentley: I just reject your comments completely. That has not been my approach in this at all. I've been clear, open and direct about what we committed to do, what we've done and the costs. All of that's out there.

I'm just referring to a number of comments that your leader has made that we should be taking a look at willing communities like Nanticoke and Lambton, which already have transmission lines and a workforce at power production facilities.

A number of the comments by either your leader or other members have referred to the retrofit, but they have also been more general comments following on the decisions taken with respect to Oakville and Mississauga. I've taken from those comments, unless you have something to the contrary, that they've wanted us to take a look at these sites in terms of not only retrofitting the existing facility, but also new build. That's what was done as a result of the agreement. It's not an agreement that was concocted in any way, shape or form; it was an agreement that was reached between the OPA and Greenfield South Power after many months of very hard negotiation that actually does move the plant. Another approach could have been to rip up the contract and go to court, but this was one of working with the proponent to move it and to try to minimize the relocation costs.

Mr. Rick Nicholls: Minister, we've talked about the Mississauga power plant a bit today, but this debacle is not the only lawsuit the Ontario Power Authority is involved in. In April, the OPA was the target of a \$1.2-billion lawsuit for cancelling the offshore wind farms in Lake Erie. It is even reported in the Winnipeg Free Press. So your government's legal troubles are fairly well known across the country by now. By simple math, that's nearly \$1.4 billion in lawsuits against one of the government's chief energy agencies. How have these lawsuits affected the OPA's ability to conduct its business?

Hon. Christopher Bentley: Thank you for the question. The proposed offshore wind facility that you refer to is not one that actually had a contract, to my understanding, between the party that is making the allegations in court—allegations made through court documents are not proven; they're allegations. As I said, my understanding is that there was no contract there. There was no contract.

Governments make decisions, and governments get challenged from time to time on those decisions. It is a fact of life. It has been a fact of life of every government. The resolution of those decisions, whether it's in court or otherwise, is there for all to see.

As I say, on the particular offshore approach that you refer to, there was no contract. I'm not aware of—

Mr. Rick Nicholls: So the lawsuit is dead in the water?

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Hon. Christopher Bentley: I'm not aware that your party was proposing offshore wind projects, because we have said there should be a moratorium on those while the issues are—

Mr. Rick Nicholls: No, we definitely weren't proposing that, sir. I was just asking the question with regard to that particular issue.

I guess another question I have for you, then, is: Do these ongoing legal disputes give you any pause about how the OPA is conducting its business? How could these lawsuits perhaps have been avoided?

Hon. Christopher Bentley: I don't know how the last one you're referring to could have been avoided, because I'm unaware of there being any contract. I can't speak for those who exercise their right within our society to go to the courts and ask for redress—whether there is merit or not to their claim. That is just the nature of the legal process and the legal opportunity, and the basis of our democracy.

Mr. Rick Nicholls: So it's still ongoing, sir?

Hon. Christopher Bentley: It is, and that's just the basis of our democracy. People can do that.

Mr. Rick Nicholls: I'd like to turn it over to my colleague Mr. Harris.

Mr. Michael Harris: Thank you, Mr. Nicholls. I know we are just about out of time, so I just wanted to throw two more interesting stats out for you.

I'm not sure if you're aware, but this year, the province will spend about \$199 million on water and environment infrastructure to protect Ontarians, obviously, and increase the viability of their drinking water. Your government has wasted \$180 million to relocate a power plant that took the equivalent of what the province is spending on protecting our water and environmental infrastructure. As well, your colleague the Minister of Labour's entire operating budget for the Ministry of Labour is around the same amount, \$188 million—to the same tune as the \$180 million that has been wasted to relocate this power plant.

I just think the magnitude is phenomenal in terms of the financials. You could have diverted that money to health, education or our valuable social programs. Today, we hear concerns of different fee cuts with our doctors, picking fights with teachers, and we turn around and throw money into a big hole, basically—\$180 million. I just want to make you aware of some of those interesting numbers.

Hon. Christopher Bentley: Thank you.

Mr. Michael Harris: You're welcome.

The Chair (Mr. Michael Prue): You still have maybe 30 seconds. Do you need it?

Hon. Christopher Bentley: If they want me to respond to part of that, I could always relieve them of the obligation of asking a further question.

Mr. Michael Harris: I'll turn it over to Mr. Nicholls.

The Chair (Mr. Michael Prue): No, there it is. It's fine. It's flipped over.

Mr. Tabuns, your last opportunity.

Mr. Peter Tabuns: Thank you, Chair. Minister, prior to this decision to locate the Greenfield plant to Sarnia with the closure of the Lambton facility, what was going to be done with it?

Hon. Christopher Bentley: It's a good question. It's an open question. There has been a consideration of just closing it, and that's it; there has been a consideration of closing it and converting it either to gas or to gas and biomass—a number of different proposals. There have been many thoughts and proposals out there by many different people, and those are still being looked at.

As I think I said earlier, that would be a plant, as I understand, of a different type than the plant that's being located there. That's a single-cycle plant, so it's used for ramping up and ramping down very quickly. It's not used as much, although it can be, for longer-term generation, because it's not as efficient.

Mr. Peter Tabuns: So the expectation, then, is that the Lambton coal plant is going to stop burning coal, but you are currently considering other options for producing power from that site. Is that correct?

Hon. Christopher Bentley: We've been asked to take a look at a number of different options. There isn't a proposal in the long-term energy plan—

Mr. Serge Imbrogno: No, it's not built into the long-term energy plan.

Mr. Peter Tabuns: It is not.

Mr. Serge Imbrogno: It is not.

Hon. Christopher Bentley: No, but we've been asked by local elected officials, by others, to take a look at the opportunities that might exist for that. We have been, but we've not made a decision. Obviously, the IESO and the OPA, as you know, are constantly planning and taking a look and trying to judge whether we need additional power, and if so, what type, and if so, where.

Mr. Peter Tabuns: When you were looking at Sarnia and that part of Ontario perhaps four years ago, did you envision the need for this sort of peaking plant located there at that time?

Hon. Christopher Bentley: I can't speak to that.

Mr. Peter Tabuns: Well, it didn't show up in your long-term energy plan, is my guess.

Hon. Christopher Bentley: It's not in the long-term energy plan.

Mr. Serge Imbrogno: But the Mississauga site would have been part of the long-term energy plan—that 300 megawatts would have been—and whether you locate it in Mississauga or Sarnia, it's still feeding the system. So it's not serving a local need, but it is serving an overall system need.

Mr. Peter Tabuns: So again, it was never really necessary to build it in Mississauga at all, then. It could have been located anywhere in southern Ontario. Is that the case?

Hon. Christopher Bentley: Not in the way you say it, no. There are a lot of factors, as I understand, that go into trying to locate facilities. Obviously, finding an appropriate site: It is a factor to have the generation as close to the load as possible; that's obviously a factor. It's not always possible; in fact, it's not often possible. The Portlands facility in Toronto is one that's very close to the load, and that's got advantages. There would have been advantages in having a facility close to the load, but the facility that will be located on the Lambton generating facility will still provide the same capacity through wires that exist to the system that needs it. So that's still a benefit.

Mr. Peter Tabuns: So it will provide to Mississauga all of the peaking capacity that it otherwise would have provided?

Hon. Christopher Bentley: Yes. Whether it goes directly from Lambton to Mississauga I couldn't tell you, because that's not the nature of the beast. It goes into a system and the system is managed so that it feeds off into different places. But yes, it has the same characteristics and the same capacity to feed the same system that the Mississauga plant would have had.

Mr. Peter Tabuns: Can you tell us when we will know what your plans are for the future of the Lambton plant?

Hon. Christopher Bentley: I can't say exactly when you'll know. It's our determination and it's our stated intention to close the coal-fired facility no later than at the end of 2014. There are, I think, two units left that haven't been formally closed, although they don't run very often at all. They're going to be closed. What the future is, that's still a discussion. We're no closer to making that decision.

Mr. Peter Tabuns: When will you be providing us with the documents that your letter earlier today stated?

Hon. Christopher Bentley: I'm going to get the update right now.

Interjection.

Hon. Christopher Bentley: The latest is in about 40 minutes.

Mr. Peter Tabuns: In about 40 minutes, all of the documents that were outlined in your letter today?

Hon. Christopher Bentley: In the letter, yes. Is that right? Okay.

Mr. Peter Tabuns: That's very interesting. Electronically or hard copy?

Hon. Christopher Bentley: Hard copy.

Mr. Peter Tabuns: A box for everyone in the room?

Hon. Christopher Bentley: You know what? You're beyond my—I've been sitting here for a while, so I don't know what form they're going to come in, but I'm about to find out.

Interjection.

Hon. Christopher Bentley: Okay. So I am advised—

Mr. Peter Tabuns: Yes, I can see that.

Hon. Christopher Bentley: —that a hard copy will be delivered to the clerk, and then the clerk will be able to do what clerks are sometimes asked to do.

Mr. Peter Tabuns: In about 40 minutes?

Hon. Christopher Bentley: Don't hold me to the minute, but that's sort of what I'm advised.

Mr. Peter Tabuns: Well, before 5 o'clock in any event. Very useful. That being the case—and I think all of us will be quite fascinated to go through that paper—this committee won't be sitting any further, so we'll miss that opportunity to question you in this way with those details, but I'm sure others will take advantage of their opportunities to talk to you, Minister.

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Hon. Christopher Bentley: I have no doubt. I have no doubt.

Mr. Peter Tabuns: Then a few other questions. The community base set aside for feed-in tariff: How much has that been set at with the relaunch?

Hon. Christopher Bentley: It was—Sue is going to come up and speak to that—100 megawatts?

Interjection.

Hon. Christopher Bentley: It's roughly 100 megawatts.

Mr. Peter Tabuns: Roughly 100 megawatts. And the same level of grid access has been allocated?

Hon. Christopher Bentley: It will have grid access, yes. That's our intention, yes.

Mr. Peter Tabuns: Okay.

Hon. Christopher Bentley: I thought that was a good feature of the review. There were a lot of groups—maybe you've spoken to this in the past—that were very interested in community participation in renewable energy projects. They have, in the past, been a little slower to get going. It's always more challenging to speak to a roomful of people than to speak to one or two people. Getting them going, making sure that they are good, viable projects, has been a longer trajectory, so having some specifically set aside for that is a good thing. That's on the bottom of page 1 of the directive that went out this morning.

Mr. Peter Tabuns: Okay. Thank you for that. Many weeks ago, I had the opportunity to ask you about climate adaptation. Since I asked you those questions, we've seen the impacts in the United States of more extreme weather, both in terms of storms and heat, and we've seen the heat impacts directly here. At the time, you told me that you had technical people who looked after these things. Have you had a chance to talk to your technical people, and have they been able to give you information indicating that we will be prepared, over the next 10 years, for the increasingly extreme weather conditions that we're facing?

Mr. Serge Imbrogno: I think Jon was going to talk to—

Hon. Christopher Bentley: Jon wants to speak to it?

Mr. Serge Imbrogno: Yes, we do have someone who can talk to it, if you want Jon to come up.

Hon. Christopher Bentley: Now, interestingly—

Interjection.

Mr. Serge Imbrogno: Sorry. Michael? Sorry, wrong person. Michael's the expert.

Hon. Christopher Bentley: Yes. We have somebody in the ministry to speak to this issue.

There is work, as I understand it, going on in Hydro One, in OPG. In fact, I saw that somebody from either Hydro One or OPG is going to an international conference about—

Mr. Serge Imbrogno: It's Hydro One.

Hon. Christopher Bentley: Is it Hydro One?—about climate change effects, to share their expertise with the conference. I saw that just over the past week. Yes, I thought of you when I saw that person going there.

Mr. Peter Tabuns: I'm sure you did.

Hon. Christopher Bentley: So I just pass that on to you. Michael?

Mr. Michael Reid: I'm Michael Reid, the acting assistant deputy minister of the regulatory affairs and strategic policy division in the ministry.

The Chair (Mr. Michael Prue): I wonder if you could speak up. I can barely hear you.

Mr. Peter Tabuns: Yes, we're a loud bunch. You have to be louder, Michael.

Mr. Michael Reid: In terms of the climate change story and the electricity sector, the electricity sector is making great progress towards achieving greenhouse gas emission reductions in several key areas. We've talked about some of those already today, including the phase-out of coal, which is one of the single largest initiatives in Canada and the equivalent of taking seven million vehicles off the road, as well as new clean energy, which again is going to help reduce the GHG profile of the electricity sector.

In terms of the adaptation question specifically, there are a number of things that are going on in a number of the different electricity agencies. The agencies, as well, do talk to make sure that they're taking advantage of their specific expertise and modelling capacities as well as their specific concerns concerning adaptation, whether it be on the generation side with OPG or the grid side of things with the IESO and Hydro One.

In terms of some of the specific things that are under way, some of these are detailed in Ontario's 2011 Climate Ready report, and there are also things that have happened subsequently.

The Independent Electricity System Operator, Ontario Power Generation and Hydro One, for example, have basically incorporated risk evaluation and management as just a basic, ongoing part of their core business delivery as well as their system planning. That includes things like severe weather events, and the potential for increasing severe weather events; just making sure that the grid does have all the capacity to withstand and to adapt to severe weather events.

In addition, the IESO, through the market rules and also some of their engagement with US standard-setters, is also making sure that, as market rules emerge and as reliability standards change, it is building into these

things emerging in the ongoing studies about what climate change could mean for the electricity grid, again, whether that be severe weather events or things like hydroelectric and water supply, which again has been referred to a little bit earlier.

We also talked about the smart grid a couple of times in the proceedings today. The smart grid is also another feature of the adaptation strategies; again, just making sure the system can, in real time, continue to respond to things like severe weather events and that power can be rerouted if and when necessary.

Mr. Peter Tabuns: Has a document been produced, as recommended by Climate Ready, outlining a strategy for dealing with all of this?

Hon. Christopher Bentley: The answer is no. My recollection is that we had until the end of the year on their recommendation to come forward with a document—after your question, getting advised of some of the work, we're going to be working on that approach and that strategy.

Mr. Peter Tabuns: Have, at this point, any preliminary budgets been determined?

Hon. Christopher Bentley: No.

Mr. Peter Tabuns: None? Okay.

Hon. Christopher Bentley: Not specifically as a result of me, as the minister, taking a look at the issue. Michael spoke about different agencies and the work that they're otherwise doing, and I have no doubt that their work is resulting in either investment or cost or something like that, as a result of pursuing that work, but not as a result of me taking a look at this. As I said, we're determined to make sure that we achieve the goal that was set for us by the end of the year.

Mr. Peter Tabuns: I believe they had asked for a complete report within a two-year period. I gather that OPG has done some studies. Hydro One hadn't published anything when the Environmental Commissioner did his assessment and commentary. You're saying to me that Hydro One is going forward with its study and will have a report on how we're supposed to adapt to climate change by the end of this year. Is that correct?

Hon. Christopher Bentley: No. We'll have more to report by the end of the year, me as the minister and as the ministry make a more complete outline as a result of what's going on in different agencies and where we think we need to get to—we'll have more to say about that.

Mr. Peter Tabuns: And will financial planning be part of that report?

Hon. Christopher Bentley: I can't speak to you about that at the moment, because I don't know what form it's going to take. But I think part of your questioning was about making sure that it was on the radar, and it is.

Mr. Peter Tabuns: Good. Now that it's on the radar, maybe we can move the craft a bit further along.

Hon. Christopher Bentley: No, fair enough. I give credit where credit's due.

Mr. Peter Tabuns: Okay. Have we been looking at the experience in the United States this year as to what a

changing climate will mean in terms of the resources that will be needed to keep the grid going?

Minister, for instance, it was clear with the recent windstorm or derecho that the level of staff on standby to keep the system going was higher than was expected. In some parts of the United States, authorities are talking about burying their power lines because they're at much greater risk with them above ground. We're talking substantial expenses there to make sure that people have continuous power. Have you got a group that is assessing the American experience at this point?

Hon. Christopher Bentley: Well, I would expect that all of the agencies are assessing not only our own but the American experience. As you know, Tom Mitchell is constantly travelling the world, responsible for the generation capacity that he has, and constantly assessing new requirements that are put up, in part as a result of weather and as a result of other experience.

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Hydro One, I know, even before our last series of questions on this several weeks ago—Laura Formosa had been telling me about—it was just before, when I had spoken to her about a similar issue—

Interjection.

Hon. Christopher Bentley: —a solar flare issue—and how they had one a few years ago, and now they were more aware and prepared and they were watching for it. So this has clearly been on the radar of these agencies. They're taking steps.

I think your good counsel would be that we make sure that we learn from what has happened in the States over the past four weeks. I think it would be my expectation, and I think they're doing it, that they are learning constantly—not only of the States but elsewhere. This is very much part of the consideration.

Mr. Peter Tabuns: Well, I'll look forward to asking you more questions about climate adaptation the next time we have estimates.

Hon. Christopher Bentley: Thank you very much. I know I look forward to that.

Mr. Peter Tabuns: I'm sure you do.

With regard to generation and nuclear investment, you are proceeding with proposals by SNC-Lavalin and Westinghouse for new build at Darlington. You're asking them to do an assessment. Are you, in both cases, ensuring that whatever specifications they're putting forward reflect the lessons we've learned so far from the Fukushima experience?

Hon. Christopher Bentley: Let me just, if you don't mind, recast very briefly what we're doing. OPG has asked Westinghouse and SNC to work up, effectively, the outline of the proposal. It does not mean we've committed to new build. It does not mean we've said that we have to have the new generation. What we've said as part of the various issues is that we want them to work it up. OPG will be in a position to assess what they've worked up and will obviously be taking a look at what they've worked up, and the detail, against what they have been able to learn through not only their own experience, the

Point Lepreau experience, but the experience around the world. I think you can take it that they will be.

There'll be lots of questions as we get more into any decision around that, just as we're asking lots of questions with respect to the refurbishment approach that should be taken at Darlington and the reason that we've taken a fundamentally different approach to this one than fohas been taken in the past around the world. In fact, this is a first of its kind, as I understand.

Mr. Peter Tabuns: Can you tell us which lessons from Fukushima are being looked at most closely and reflected in any design documents?

Hon. Christopher Bentley: As you know, Tom Mitchell, the CEO of OPG, led the international review of Fukushima. He was in charge of it. There were 13 recommendations that came back. Obviously, those recommendations are being considered by the nuclear regulator, CNSC, which is a federal responsibility, but obviously Tom Mitchell has those recommendations. The task force had made 13 recommendations, which I can broadly divide into two categories: the technical and operational recommendations relating to the design and operational enhancements, and regulatory recommendations which require commission approval to amend the CNSC regulatory framework, which I assume have gone to them. He, in real time, not only reviewed the issue with the team, helped develop the recommendations, but now obviously would be implementing the recommendations.

The Chair (Mr. Michael Prue): I'm going to stop you right there.

Mr. Rob Leone: Mr. Chair?

The Chair (Mr. Michael Prue): Okay, a question. I just had a statement. It may be on the same point. The clerk has reminded me that since we started with the Conservatives in the first round, they would not get the last full 13 minutes. It will be divided so that each party will have exactly the same amount. It will be four minutes per party, when we get there. Was that the question?

Mr. Rob Leone: Actually, no.

The Chair (Mr. Michael Prue): Okay.

Mr. Rob Leone: But that was very informative.

Chair, my question is with respect to what I believe to be—I think the minister stated that we're going to receive the documents and the correspondence and the emails and such for the Mississauga gas plant, the issue that we've been talking about today.

My question is whether it is possible to at least have some time to review that before further, or going into our last—even though it's four minutes, I'm wondering if it's possible to just have a chance to view those documents and then maybe ask some questions at a later time of the minister. Is that possible?

The Chair (Mr. Michael Prue): It would be up to the committee, if the committee wishes that. I don't know how much time you would need and I don't know how voluminous these documents are. It might take hours to review them to do four minutes of questioning. I'm in your hands, but I'm not sure whether the propriety of that is a good one. I'm sorry, this is—just the length of time

for four minutes' worth of questions, that's literally one question each and one answer each.

Mr. Rob Leone: Well it depends on how long the response is, I suppose. Minister Bentley is known for elongating some of these answers. We might be able to get two questions—

Hon. Christopher Bentley: I thought they were much shorter today.

Mr. Rob Leone: Actually, you have been a little short today.

The Chair (Mr. Michael Prue): In any event, I'm in the committee's hands. Does the committee want to do that?

Mrs. Donna H. Cansfield: No.

Mr. Reza Moridi: Mr. Chair, may I make a comment?

The Chair (Mr. Michael Prue): Surely. Okay, we're cutting into your last four minutes, as well, so go ahead.

Mr. Reza Moridi: Mr. Chair, we have been here since early May, and I think it's time we let the minister go. He has lots of work to do as a minister. We have dealt with almost all questions in this committee. I think it's time just to wrap up the committee today and let the minister go and deal with his very many issues as minister.

The Chair (Mr. Michael Prue): Thank you. There does not appear to be consensus so I'm going to go straight to the government. You have 20 minutes and then we're going to divide the remaining 11 minutes, so it's a little bit less than four minutes each.

Mr. Reza Moridi: Thank you, Mr. Chair, and thank you again, Minister, for appearing before this committee.

Minister, I understand that you have a program in your ministry called the industrial electricity incentive program. Could you elaborate on that program, please, and tell us how this program helps businesses?

Hon. Christopher Bentley: Oh, good. The deputy is going to take this one.

Mr. Serge Imbrogno: The industrial electricity incentive program was announced on June 12, 2012. It really is intended to make it easier for large industrial companies in Ontario to expand their operations and to create jobs.

While Ontario has, I think, almost fully recovered from the economic downturn, there is a need to increase electricity demand. It's well below its pre-recession level, so there is room to grow. The program itself will help us better manage the energy supply that we have by allowing companies to access the excess power that we have in the system right now. So rather than exporting it, we can allow the industrials to take advantage of it. That's kind of the basis of the program.

It really is intended to encourage new industries to come into Ontario, or existing industries to expand. Eligible companies that expand are expected to create jobs—that will be a key determinant of whether you get into the program—and to maintain those jobs to keep the benefit of the lower rate going forward.

We think it will stimulate investment in Ontario. It will stimulate businesses to expand because they will have a rate that's more competitive with other jurisdic-

tions that they're competing against, industry in those other jurisdictions. It's broadly consistent in terms of pricing with where other jurisdictions are, which at this point have a competitive advantage over Ontario because they have access to different sources of energy, like Quebec with access to low-priced hydro.

For business itself, I think the program works. We'll be consulting with business, but a couple of things: It provides for a longer-term contract, which allows them to make an investment decision over a longer term. It also will provide a competitive rate so they can compete with investment in other parts of the provinces—or other parts of the country or competing US jurisdictions.

That's kind of a high-level summary of the program itself.

Mr. Reza Moridi: Thank you, Deputy. Speaking of the eligible businesses, could you elaborate on that? Which businesses or which types of businesses or industries are eligible to benefit from this interesting program?
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Mr. Serge Imbrogno: Yes. The businesses, the large industrials—it's across all of Ontario. It's not tied to any particular region, so any large industrial across Ontario could put forward a proposal to get into the program.

Initially, we're setting aside five terawatt hours of electricity, which basically equates to the industrial load that has dropped since 2007. We're trying to get that load back up to pre-recession levels.

Companies can take advantage in two ways. There are two streams to the program. Stream 1 is really for companies that want to make major, transformative investments in Ontario. If you're in stream 1, we would offer a longer-term contract—it could be up to 20 years—at a competitive rate. The company would be expected to make an investment of at least \$250 million, so it is a substantial investment in the province. They would also be required to maintain jobs throughout that term of the contract, to maintain that guaranteed price of electricity that would be inflated over time. Those companies would put in proposals, and there would be an assessment of which one contributed most to the economy through job creation. That would be stream 1: big, large, transformative investments.

Stream 2 is really intended to provide companies that are already in Ontario with an incentive to expand. Stream 2 is really intended to provide anyone who wants to expand beyond a certain point that they would get a low rate, and they would basically get the wholesale electricity price plus an uplift if they consume during peak hours. We would build in an incentive for these large industrials to still consume during off-peak hours. These large industrials in stream 2 would be expected to expand their load, and we would have a measurement of where they are today versus where their expansion is, so there would always be a measurement of incremental investment. It would also be linked to jobs as well. Again, there would be an application process, and we would sort who's in the program by when they come in and how much, in terms of the benefit, job creation.

Those are the two major streams of the program.

Mr. Reza Moridi: Speaking of the size of industries, as you mentioned, Deputy, do you have a specific definition of which types of industries you consider as large industries to be eligible for this program?

Mr. Serge Imbrogno: Yes. We set up the general framework for the program. We are in the process now of consulting with industrials. It would be sector-based manufacturing, so we'd have a sector definition. The size would really be related to the investment they make into Ontario and into their operations.

We are consulting now, and we'll be in the process of consulting with industry and other industry associations to firm up on the exact details of eligibility. We have a general framework. Over the next few months, we'll firm that up and then we plan to launch the program beginning in January 2013.

Mr. Reza Moridi: So the program will be available on January—

Mr. Serge Imbrogno: January 1—

Mr. Reza Moridi: January 1, 2013?

Mr. Serge Imbrogno: That's what we're targeting.

Mr. Reza Moridi: Within about five months from now.

Mr. Serge Imbrogno: That's correct. After consultation with industry, then we'll firm up the details of the program and then we'll be prepared to launch.

Mr. Reza Moridi: It seems, Deputy, that this program is going to save quite a significant amount of money for industries and that will boost our economy and will help create more jobs in the province. Could you please elaborate a bit more on the economic impact on the province of this program when it's implemented?

Mr. Serge Imbrogno: Part of the rationale for the program is we think there's a lot of idle capacity right now in many industries: pulp and paper, and autos as well. Part of the stream 2 type of investments would be for these companies. If they can get a competitive rate on their marginal investments on incremental use of electricity, we think it would allow them to quite easily bring back an additional line, bring back a line that has been idle. We also think it would allow a number of companies that have to compete, maybe, with even their own head office for investments, whether they invest in Quebec, Ontario or the US—this would allow them to go forward with a plan that says, "We can bring forward this project, and here's how the economics work." We think it will allow industry to make those investments in Ontario.

The stream 2-type projects—if they can reduce their costs by about 25%, we think it will lower their overall costs of electricity by about 16%. It could be a substantial benefit to the large industrials that are willing to make those investments in Ontario.

Mr. Reza Moridi: How is this program going to affect our baseload production, particularly the surplus baseload—and also on the export of electricity, as we do export electricity? Is there going to be an impact of this program on the surplus overload and also on our export of electricity to our neighbours?

Mr. Serge Imbrogno: Right now, we do have excess power. Our consumption internally is about 140 terawatt hours. We produce about 150 terawatt hours. Right now, those additional terawatt hours are usually exported, and we get the marginal cost of that production. What this program does is it doesn't incur additional—we don't have to build any new capacity; we have the capacity and the capacity that has been contracted going forward. But what it allows us to do is instead of exporting that excess power, we can use that excess power to invest in Ontario industry and allow Ontario industry to take advantage of that excess power at that marginal cost.

The program is designed not to have any cost impact on the existing rate base, and it's intended to make use of that excess power that we currently export to other jurisdictions. The bottom line is that we're not incurring additional costs for existing ratepayers.

Mr. Reza Moridi: Deputy, this is going to have quite an impact on the economic growth of the province. Just to put it in perspective, how would you compare the impact of this program on the economic growth of the province to other similar programs we have in the government, other initiatives which boost our economy and create jobs? Can you give us some perspective, in your view, in terms of comparison with other government programs?

Mr. Serge Imbrogno: As we roll out the program, we'll have a better sense as we consult with industry. We've had some initial indications from AMPCO, for example, that they believe a lot of the industrials that are part of their association would take advantage of this program. We think because we tied it to job creation and maintaining job creation, it's more of a competitive process, where those companies that come in that have the best prospects for creating jobs would be chosen. We think it would create a lot of jobs.

In terms of costs, because we already have this excess power, we're not really incurring additional costs. For us, it's a fairly low- to no-cost program that generates benefits. But we haven't got all the information available to say how many jobs we expect. It will be based on how much investment we get through the program.

Mr. Reza Moridi: We have a similar program, as you know, for ordinary Ontarians which is called the Ontario clean energy benefit. Could you talk a little bit about this program as well, and who is eligible to benefit from the Ontario clean energy benefit program?

Mr. Serge Imbrogno: I could probably talk to it, but I know Michael Reid is keen on talking about the Ontario clean energy benefit.

Mr. Michael Reid: Thanks for the question. I'm going to give you a little overview of the intent of the program and outline some of the eligibility criteria for you.

The Ontario clean energy benefit was announced in the 2010 Ontario economic outlook and fiscal review, or the 2010 fall economic statement. It took effect on January 1, 2011, and will run for five years until December 31, 2015.

The intent of the Ontario clean energy benefit is to help families, farms and small businesses manage rising electricity prices as the province invests in its transition towards a clean, modern and reliable electricity system. We've talked a lot about those investments today.

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Specifically, the Ontario clean energy benefit helps mitigate these price increases by providing a 10% benefit on the total cost of eligible consumers' electricity bills. In terms of the customers who are eligible for this Ontario clean energy benefit, it's offered to all customers who are eligible for the regulated price plan, which is administered by the Ontario Energy Board. This includes farms, residential consumers, small businesses and other small consumers who use less than 250,000 kilowatt hours per year of electricity or who have a demand of 50 kilowatts or less. This amounts to about four million residential consumers and over 400,000 farm and small business consumers.

A few other things to note in terms of the eligibility criteria: It includes customers who are directly metered by their local distribution companies. It also includes customers who are sub-metered in multi-residential buildings, so that would be condominiums, for example. It also includes tenants who directly receive an electricity bill from their landlords, as well as customers who will sign or have signed retail contracts with electricity retailers.

Mr. Reza Moridi: What you've mentioned to me about this 10% discount, basically, or reduction in the costs—what costs are included in that 10%? Is it the total cost or part of the cost of electricity included in that 10% discount?

Mr. Michael Reid: There are a number of elements to consumers' bills. To give you a sense of the elements that the clean energy benefit applies to, I can outline them and then maybe talk briefly about a couple of them.

Specifically, the elements that the clean energy benefit applies to are the commodity price of electricity, all delivery charges, regulatory charges, the global adjustment, the debt retirement charge, as well as any harmonized sales tax that's payable in respect of any of those elements I just outlined. In addition, for customers who are sub-metered, the benefit also applies to any fees that they may be charged by their sub-metering providers. It's probably also important to note that there are a couple of things that aren't covered by the benefit that include any amounts on bills that are carried forward from previous invoices, any penalties and interests, as well as charges that don't relate to electricity—for example, some consumers will receive a bill that has both their electricity as well as, say, water and sewage on it; obviously, it only applies to the electricity portion—and any other sort of one-time charges that appear on the bill.

Mr. Reza Moridi: So, basically, this discount applies to the bottom line, the total cost that the person pays to the hydro company?

Mr. Michael Reid: Yes.

Mr. Reza Moridi: In the 2012 budget, which the government introduced, there have been, I believe, some changes to the Ontario clean energy benefit. Could you elaborate a bit on that, if there have been any changes?

Mr. Michael Reid: Yes, definitely. There were indeed changes that were announced to the Ontario clean energy benefit in the 2012 Ontario budget. The specific change that was announced was that the Ontario clean energy benefit would basically limit financial assistance to eligible consumers to the first 3,000 kilowatt hours of electricity that they consumed each month. Consumers who use more than 3,000 kilowatt hours per month will continue to receive the benefit up to the maximum of this 3,000-kilowatt-hour consumption, but any consumption over and above that would no longer be eligible for the benefit.

It's important to note that in putting this cap on the financial assistance of the program, the eligibility criteria themselves did not change at all, so all residential consumers, farms and small businesses that meet the eligibility requirements will continue to qualify for the Ontario clean energy benefit.

As well, under this change, the Ontario clean energy benefit will continue to provide a full 10% benefit to almost all residential consumers. Just to give you a sense, a typical household of four would consume, on average, about 800 to maybe 1,000 kilowatts per month, so that's well below the 3,000-kilowatt cap. Just to give you a sense of what the benefit would be, if you take a typical household that uses 800 kilowatt hours a month, the credit is about \$160 per year.

Mr. Reza Moridi: So basically, what you're saying is that this cap, which the government introduced—3,000 kilowatt hours per month consumption—doesn't affect any residential or small businesses? For them, this reduction will be as usual, as they had in the past? They will continue to benefit from this 10% reduction, practically speaking?

Mr. Michael Reid: Yes. Most residential as well as small retail businesses will not be affected by the cap. Larger users will be affected by the cap. In that instance, I think it's important to note that there are conservation programs that are in place to help some of the larger users as they transition away from the Ontario clean energy benefit.

As well, it's probably also important to note that the cap was implemented basically as a responsible way to balance both the needs of electricity consumers on the one hand as well as the fiscal implications of providing electricity price relief in the current fiscal situation.

Mr. Reza Moridi: I wonder, Mr. Reid, how this Ontario clean energy benefit affects people who are living in condominiums, apartment buildings or condo townhouses? How does this affect them? Because they pay their electricity bill as a part of their condo fees or apartment fees, how does this affect them, particularly with the cap that you have now introduced, the 3,000 kilowatt hours per month?

Mr. Michael Reid: Yes, that's an interesting question. Recently a regulation has been put in place that does detail the way in which the cap will be calculated in a variety of circumstances, including multi-residential units like apartments or condominiums. Specifically, the way the cap will apply in these multi-residential instances depends on how the building is metered. So there are two different ways in which buildings are metered: They're either bulk-metered, which is a single meter for a building, or they can have individual meters for individual units.

The Chair (Mr. Michael Prue): And I'm going to have to stop you there.

We have exactly nine minutes left, and I'm going to be brutal: three minutes apiece; Conservatives first.

Mr. Rick Nicholls: Thank you very much, Chair. Minister, I'm going to change the tone a little bit here. My staff and I have visited the families that suffer from the presence of industrial wind turbines on their property—this is all about health. Have you been up close to one of those turbines on a windy day?

Hon. Christopher Bentley: I have been.

Mr. Rick Nicholls: I'm sorry?

Hon. Christopher Bentley: Reasonably close.

Mr. Rick Nicholls: So, would you say, then, that you're aware of the fact that there is noise created by having a turbine, say, 550 metres from your property?

Hon. Christopher Bentley: Well, the approach that we've taken to wind turbines and their location has been based, first and foremost, on the advice that we've received from Ontario's medical officer of health and the studies and information out there. We'll continue to take a look at that and act in the best interest of Ontarians.

Mr. Rick Nicholls: Okay. Well, again, families in my riding, Minister, describe the noise that they hear from these turbines similar to the effect achieved by driving down the highway and opening up a passenger window—you know, that helicopterish kind of noise that's achieved by air displacement.

Now, Minister, your government has in fact commissioned a University of Waterloo study to examine the health effects of living near industrial wind turbines, but the development of wind turbines is still pushing ahead despite this study not being released. Just recently, yesterday, Health Minister Aglukkaq at the federal level also has made a comment and said that these health issues deserve deeper consideration.

Some of the effects, Minister—and I have in fact spoken to a number of people—include: insomnia, dizziness, little children saying, "Mommy, when are the bees going to stop buzzing in my ears?"—and that's a real thing for these children—nausea, increased blood pressure and so on. Of course, these wind turbines are getting bigger, and I dare suspect that, as a result, the ill effects from these wind turbines will also increase as time goes on.

My question to you, Minister, is a very simple question. I'm going to ask you this because health is a very serious thing. In light of what's going on with regard to

our health budgets etc., will you agree today on placing a moratorium on all currently agreed-upon and proposed industrial wind turbines until more conclusive studies on health effects on people are conducted? The health minister at the federal level stated that a study—until 2014. We can't wait that long. I'm asking you: Would you, in fact, place a moratorium today on all proposed and currently agreed-upon wind turbines in Ontario until—

The Chair (Mr. Michael Prue): I have to stop you without even the question; the three minutes are up. Mr. Tabuns.

1540

Mr. Peter Tabuns: Minister, are there any further refurbishments planned at the Bruce nuclear plant over the next decade?

Hon. Christopher Bentley: Well, we've got 1 and 2 under way, and then there are units 3 and 4 in A, right?

Mr. Serge Imbrogno: Yes. They're not being refurbished, though.

Hon. Christopher Bentley: They're ready? They're going. Then—

Mr. Peter Tabuns: So with the refurbishments that should be completed this year, there are no further refurbishments planned for Bruce. Is that correct?

Mr. Serge Imbrogno: So the Bruce B units—

Mr. Peter Tabuns: I'm sorry?

Mr. Serge Imbrogno: I think you're referring to the Bruce B units.

Mr. Peter Tabuns: Yes.

Mr. Serge Imbrogno: I'm not aware of any commitment to refurbish those units.

Hon. Christopher Bentley: We haven't made a commitment. Obviously, we're taking a look at that, and we'll determine what is the right thing to do with respect to those units.

Mr. Peter Tabuns: And with regard to the Darlington refurbishment, the mock-up that you're building, is that based on the initial drawings or the current state of the plant's physical configuration?

Hon. Christopher Bentley: What was that question again?

Just back to Bruce B, there are a number of proposals that Bruce has made, in fact, for the Bruce B units which could extend their lives for a number of years, and we're taking a look at those proposals.

Your question about Darlington was?

Mr. Peter Tabuns: Is the mock-up based on the initial drawings or the current physical state of the plant? Having been a property manager, things change over time from initial drawings.

Hon. Christopher Bentley: Yes. I think that's a good question. Do you know the answer to that question?

Mr. Serge Imbrogno: I don't know, but I would suggest that it would be on the most recent drawings. But we can get back to you on that.

Mr. Peter Tabuns: If you could get back, that would be appreciated.

Hon. Christopher Bentley: We'll get you the answer. We'll provide you the answer.

Mr. Peter Tabuns: Thank you.

The Chair (Mr. Michael Prue): Liberals, last three minutes.

Mr. Reza Moridi: Yes. I would like to just ask the minister to make the final statements and to wrap it up. Thank you.

Mr. Michael Harris: He could answer Rick's question. That's what he should do.

Hon. Christopher Bentley: I'm going to take the opportunity, at the front part of these three minutes, to go back to something that Mr. Nicholls was asking me because he didn't know that he was about to be—the three minutes go so quickly.

Mr. Michael Harris: Thank you, Minister.

Hon. Christopher Bentley: With respect to the approach that we've taken to siting green energy projects, generally, and wind projects, specifically, we've always acted, and we'll continue to act, on the basis of the best health interests of Ontarians and the best medical advice that's out there. The Chief Medical Officer of Health has given us advice. There are many studies—some Ontario, some Canadian, some North American, some international—which outline the health considerations. The setbacks that we've taken are consistent with the direction from the medical officer of health from those studies. We have some of the most aggressive and significant setbacks anywhere in the world. We'll continue to take a look at information as it comes in, whether it's from Dr. Sivoththaman, from the Health Canada study, or any other study that comes in before either of them, to make sure that we're always acting in the best interest of Ontarians and on the most up-to-date and reliable health information.

You're right: We're investing in green energy because health is important. The health of Ontarians is why we made a determination in 2003 to get out of coal, because burning coal creates dirty air, and dirty air makes people sick. That's why we're getting out of coal. That's why we've looked at cleaner sources of power—whether it's wind, solar, bio, nuclear or hydro. We're looking at cleaner sources of power to make sure that we are cleaning up our generation of electricity in the sources and we're able to make sure we have the cleanest possible.

I just want to thank the members of the committee and the Chair. I want to thank my deputy minister, the staff, the ADMs: John Whitehead, Rick Jennings, Sue Lo, Michael—the others who have been here all the time, all of those people who are not here who have been able to participate and prepare.

Obviously, the members of the committee—all members of the committee who have been sitting on this—you won't mind if I give a special nod to my colleagues who are here today and have been here in the past; and all of the staff who happen to be present in the room, some of those visible, some up in booths and not quite visible; and all those who have had the benefit to assist not only me and my staff, but I suspect each and every one of us in the course of the number of minutes and hours that

we've been able to be here. So thank you very much, and that's the end of that.

The Chair (Mr. Michael Prue): Thank you very much, Mr. Minister, for being here all these days as well. Since you didn't thank yourself, you should.

We are now required to vote on the estimates of the Ministry of Energy. We must do so without debate.

I'm going to ask the following: Shall vote 2901 carry?

Mr. Michael Harris: Recorded vote.

The Chair (Mr. Michael Prue): I have a request for a recorded vote. Just so everyone is aware, if you want to follow along, page 183 sets out what these numbers actually mean. Vote 2901 is the ministry administration program.

On a recorded vote, shall 2901 carry?

Ayes

Cansfield, Craitor, Dhillon, Moridi.

Nays

Harris, Leone, Nicholls.

The Chair (Mr. Michael Prue): I declare that carried. Shall 2902 carry?

Mr. Michael Harris: Recorded vote, please, Chair.

Ayes

Cansfield, Craitor, Dhillon, Moridi.

Nays

Harris, Leone, Nicholls.

The Chair (Mr. Michael Prue): I declare that carried. Shall vote 2905 carry?

Mr. Michael Harris: Recorded vote.

Ayes

Cansfield, Craitor, Dhillon, Moridi.

Nays

Harris, Leone, Nicholls.

The Chair (Mr. Michael Prue): I declare that carried. Shall the 2012-13 estimates of the Ministry of Energy carry?

Mr. Michael Harris: Recorded vote.

Ayes

Cansfield, Craitor, Dhillon, Moridi.

Nays

Harris, Leone, Nicholls.

The Chair (Mr. Michael Prue): I declare that carried. Shall I report the 2012-13 estimates of the Ministry of Energy to the House? Is that carried? Carried.

That completes our consideration of the estimates of the Ministry of Energy.

Before we adjourn, I would ask, if those documents are forthcoming to the clerk, that the clerk make them available to members of the committee. I would assume that any member of the committee who wants them would come back to this room in fairly short order.

How long would it take to photocopy them? I have no idea.

Interjection.

The Chair (Mr. Michael Prue): We have no idea, but if you would make them available to any of the members of the committee who want to get them after today—

Mr. Peter Tabuns: Today.

The Chair (Mr. Michael Prue): —or today, or make arrangements to pick them up later—

Interjection.

The Chair (Mr. Michael Prue): Yes, they have not been received—so when they are received, to make them immediately available to those who request them.

Mr. Rob Leone: Mr. Chair?

The Chair (Mr. Michael Prue): Yes.

Mr. Rob Leone: Are we able to be notified of when these documents will be photocopied and perhaps congregate at the time available? Would that be today or tomorrow?

Mr. Michael Harris: Or sent to our offices.

The Chair (Mr. Michael Prue): Yes.

The Clerk Pro Tem (Ms. Tonia Grannum): Yes, probably tomorrow.

The Chair (Mr. Michael Prue): Yes, today or possibly tomorrow. We were hoping to get them today. That was the promise.

Mr. Peter Tabuns: Chair, let's wait a minute. We need them today.

Mr. Rob Leone: Agreed.

The Clerk Pro Tem (Ms. Tonia Grannum): I haven't received them in my office yet. I have been checking.

Mr. Peter Tabuns: Are we receiving them today?

Interjections.

Mr. Peter Tabuns: They should be there momentarily. And I understand, in rough volume, we're talking that many. Okay.

The Chair (Mr. Michael Prue): To make that many copies will take literally hours.

Mr. Peter Tabuns: Well, even if you made two copies and gave one to the Liberals, one to the Tories, one to the NDP—

The Chair (Mr. Michael Prue): That's three.

Mr. Peter Tabuns: No, give the original to the Liberals. They can hold on to it. I have great confidence.

The Clerk Pro Tem (Ms. Tonia Grannum): No, I need the originals.

Mr. Peter Tabuns: Do three, then. Go nuts.

Interjection.

The Clerk Pro Tem (Ms. Tonia Grannum): Yes. As soon as we can physically copy them and get them out, that's what we'll do.

Mr. Peter Tabuns: Tonia, we'll follow you.

Mr. Rob Leone: Do we camp out in front of your office? Is that generally what people do in these things? I'm obviously a new member of this House. Is that what people do? Do we camp out or—

The Clerk Pro Tem (Ms. Tonia Grannum): You can send your staff over to wait, but we have to wait till we actually receive them, too.

The Chair (Mr. Michael Prue): Till they're received and—

Mr. Peter Tabuns: You have cots; you have chairs. We're good.

The Chair (Mr. Michael Prue): All right.

Mr. Rob Leone: Shall I order pizza?

The Chair (Mr. Michael Prue): If you want. You can do whatever you want. The clerk is responsible, and I trust that she will do it as expeditiously as possible and make them available to those members who want to wait. To those who don't want to wait, I'm sure that they will be available tomorrow.

Having said that, we are adjourned until 8 a.m. on Thursday, July 19, 2012, to commence the estimates of the Ministry of Finance for seven and a half hours. Should we finish that, which I assume we will—I'm ever optimistic—then we will continue with the Ministry of Health and Long-Term Care for the remaining time on Thursday, July 19.

Having said that, we are adjourned for today.

The committee adjourned at 1550.

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